

EXHIBIT D

Extract of Deposition of Paul Aronzon, January 31, 2024

1
2 UNITED STATES BANKRUPTCY COURT
3 SOUTHERN DISTRICT OF NEW YORK

4 -----
5 In re:

6 GENESIS GLOBAL HOLDCO, LLC, et al.,
7 Debtors.

8 Case No.: 23-10063 (SHL)
9 -----

10 January 31, 2024

11 8:39 a.m.

12
13
14 VIDEOCONFERENCE DEPOSITION of
15 PAUL ARONZON, pursuant to Notice, held at
16 8786 North Promontory Ridge Drive, Park
17 City, Utah before Wayne Hock, a Notary
18 Public of the State of New York.
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P. Aronzon

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EXAMINATION BY

MS. GRIFFITH:

Q. Good afternoon, Mr. Aronzon.

1 P. Aronzon

2 Do you hear me okay?

3 A. Yes.

4 Q. Great.

5 My name is Greer Griffith. I'm
6 with the law firm McDermott Will and
7 Emery, and I represent the ad hoc crypto
8 creditors group.

9 So this morning you testified
10 that you were one of two special committee
11 members; correct?

12 A. Yes.

13 Q. How frequently did the special
14 committee meet?

15 A. It's impossible to say, but
16 several times, sometimes daily, and
17 certainly many times each week over the
18 entire time frame. It's a very busy, busy
19 committee.

20 Q. And when you met, was it in
21 person, over the phone, e-mail, a
22 combination?

23 MS. VANLARE: Objection.

24 THE WITNESS: It is mostly
25 videoconference. Certainly there

1 P. Aronzon

2 would have been phone calls. There
3 were many in-person meetings, but I
4 usually attended by videoconference.

5 Q. And was one of the purposes of
6 the special committee to conduct
7 investigations?

8 MS. VANLARE: Objection.

9 THE WITNESS: Yes.

10 Sorry, I waited, I waited, I
11 wasn't sure.

12 MS. VANLARE: You did.

13 Q. Did you run the special
14 committee investigations?

15 MS. VANLARE: Objection.

16 THE WITNESS: Did I run them?
17 I'm not sure what you're asking me.

18 Q. Were you in charge of the
19 special committee investigations?

20 MS. VANLARE: Objection.

21 THE WITNESS: The special
22 committee obviously directs its
23 professionals, and the professional
24 here conducted an investigation on our
25 behalf.

1 P. Aronzon

2 Q. What was your role regarding the
3 investigations then?

4 MS. VANLARE: Objection. Asked
5 and answered.

6 THE WITNESS: My role is that of
7 an independent director who's a member
8 of a special committee, and the
9 committee's job is to -- among all the
10 other things that we had on our plate,
11 to look into claims and causes of
12 action that might exist.

13 Q. And you said that you advised
14 professionals who assisted with conducting
15 the investigation; correct?

16 MS. VANLARE: Objection.
17 Misstates testimony.

18 THE WITNESS: I didn't advise
19 anybody. But we, as a special
20 committee, did direct and make
21 business decisions about the
22 investigation to the extent we were
23 asked to do so.

24 Q. And which professionals did you
25 work with as part of this investigation?

1 P. Aronzon

2 MS. VANLARE: Objection.

3 THE WITNESS: The company's
4 professionals. There's, as you know,
5 there's Cleary, that's the main --
6 they would be the main focus of the
7 discussions. And then of course there
8 was support on the financial side from
9 A&M, Alvarez and Marsal, and also to
10 the extent necessary, Moelis and
11 Company.

12 Q. And did all three of these
13 different professional groups provide
14 updates to the special committee?

15 MS. VANLARE: Objection. Vague.

16 THE WITNESS: On what? We got
17 regular updates on a variety of
18 topics.

19 Q. What did they update you about?
20 What type of topics?

21 MS. VANLARE: Objection.

22 THE WITNESS: Everything we were
23 working on, whether it was the plan,
24 settlement negotiations, litigation
25 matters, claims disputes, legal issues

1 P. Aronzon

2 from time to time on a daily basis,
3 frankly, and certainly the
4 investigative issues.

5 Q. Did they provide reports to you
6 about documents that they were collecting
7 or reviewing in connection with the
8 investigation?

9 MS. VANLARE: Objection.

10 And I would caution the witness
11 to the extent your answer would
12 disclose any client privilege.

13 THE WITNESS: We did receive
14 reports.

15 Q. And what type of reports? I'm
16 not asking for you to reveal any
17 attorney-client privileged information,
18 but were these reports summarizing
19 documents that were collected from
20 individuals, were they summarizing
21 interviews that were conducted?

22 MS. VANLARE: Objection.

23 And again, to the extent your
24 answer would involve revealing any
25 client-attorney communications, I

1 P. Aronzon

2 would instruct you not to answer.

3 THE WITNESS: They were very
4 detailed reports about all of the
5 activities of our investigative team.

6 Q. And do you consider those
7 reports to be privileged information?

8 MS. VANLARE: Objection. Calls
9 for a legal conclusion.

10 THE WITNESS: I believe they are
11 privileged.

12 MS. GRIFFITH: And I have my
13 colleague Matthew Gibson on with me.

14 Matthew, could you upload the
15 amended disclosure statement.

16 (Whereupon, a document entitled
17 Amended Disclosure Statement With
18 Respect to The Amended Joint Plan of
19 Genesis Global Holdco, LLC
20 was marked Aronzon Exhibit 6
21 for identification.)

22 Q. And when that's uploaded as an
23 exhibit, I believe we're at Exhibit 6.

24 I'm going to direct your
25 attention to the bottom of page

1 P. Aronzon

2 thirty-six.

3 A. I'm closing the Exhibit 5; okay?

4 Page what now?

5 Q. It's thirty-six on the bottom of
6 the page. On the top it will say page
7 fifty-one of three hundred six. But for
8 the record, this is the amended disclosure
9 statement with respect to the is amended
10 joint plan of Genesis Global Holdco, LLC,
11 et al., under Chapter 11 of the bankruptcy
12 code filed at document 1031 publicly on
13 the docket.

14 A. Okay, I've got it.

15 Q. And if you look at the bottom of
16 that page, it says, "Cleary has shared the
17 findings from the investigation with the
18 special committee and counsel to the UCC
19 and the ad hoc group".

20 Do you see that?

21 A. Yes.

22 Q. Are these detailed reports that
23 you're referencing that fall under the
24 findings that Cleary shared about its
25 investigation?

1 P. Aronzon

2 MS. VANLARE: Objection. Vague.

3 MR. WEST: Objection.

4 THE WITNESS: Go ahead.

5 MS. VANLARE: Objection. Vague.

6 And also I would add again, to
7 the extent this would reveal any
8 attorney-client privilege, I would
9 instruct you not to answer.

10 THE WITNESS: I heard somebody
11 else say something.

12 MS. VANLARE: I believe that was
13 Mr. West.

14 THE WITNESS: I actually -- I
15 can't give you any substance, but what
16 I can tell you is I don't know exactly
17 what was shared.

18 Q. Were the reports, the detailed
19 reports that were shared with you, also
20 shared with counsel to the UCC and the ad
21 hoc group?

22 MS. VANLARE: Objection.

23 THE WITNESS: I don't know.

24 Q. Who would have that information?

25 A. Our counsel and probably the UCC

1 P. Aronzon

2 counsel and ad hoc group counsel. They
3 can tell you what they got and what was
4 delivered.

5 Q. And do you have these reports in
6 your possession, these detailed finding
7 reports?

8 MS. VANLARE: Objection.

9 THE WITNESS: Sitting here right
10 now in my hand, no.

11 Q. But if you were able to look in
12 your e-mail or in your personal
13 possession.

14 MS. VANLARE: Objection.

15 Counsel, you're misrepresenting
16 what's written on the page, so I would
17 caution the witness.

18 THE WITNESS: I am sure that I
19 have reports that were provided by our
20 counsel.

21 Q. Is the special committee
22 investigation still ongoing?

23 A. I believe that we are still --
24 I'm not quite sure how to answer this.

25 There is work that is ongoing by

1 P. Aronzon

2 our counsel on a variety of issues having
3 to do with a variety of different
4 subjects. I don't know how to describe it
5 any better than that. I mean, for
6 instance, you know, we have work that
7 we're doing in connection with plan
8 releases. That work is ongoing. I don't
9 know if that fits into your
10 categorization, but that is a topic that I
11 know is still in process.

12 Q. How about an investigation into
13 potential claims the estate might have?

14 MS. VANLARE: Objection.

15 To the extent your answer would
16 reflect or reveal any attorney-client
17 privileged information, I would
18 instruct you not to answer.

19 THE WITNESS: All I can really
20 say is there is continuing work being
21 done in certain areas.

22 Q. Did the special committee
23 investigate all claims that the estate
24 might have?

25 MS. VANLARE: Objection.

1 P. Aronzon

2 Objection to form.

3 And again, Mr. Aronzon, to the
4 extent your answer would reveal any
5 attorney-client communications, I
6 would instruct you not to answer.

7 THE WITNESS: I'm not quite sure
8 how to answer this. The special
9 committee relied on its professionals
10 to assist in determining what to
11 investigate and what not to.

12 Q. What type of claims did the
13 special committee investigate?

14 MS. VANLARE: Objection.

15 To the extent that your answer
16 would reveal any attorney-client
17 communication, I would instruct you
18 not to answer.

19 THE WITNESS: I'll try to do
20 this generically; okay?

21 To the extent that a claim would
22 be, quote, an asset of our estate, we
23 looked at it through our
24 professionals.

25 To the extent a claim would

1 P. Aronzon

2 result in something to do with claims
3 that are asserted against the estate,
4 we would look at that. And I'm doing
5 it really generally because I don't
6 know how to be specific without
7 revealing discussions and privileged
8 information. And then obviously to
9 the extent people apprised us of
10 things they thought should be
11 investigated, if we thought there was
12 a reason to follow up, we would do so.
13 And there may be other types of things
14 that we would look at depending on the
15 issues and the timing and everything
16 else.

17 Q. Did the special committee
18 investigate potential claims against
19 former directors, officers, and employees
20 at Genesis?

21 MS. VANLARE: Objection.

22 And again, Mr. Aronzon, to the
23 extent any part of your answer would
24 reveal attorney-client communication,
25 I would instruct you not to answer.

1 P. Aronzon

2 THE WITNESS: I think the answer
3 is in certain circumstances, yes.

4 Q. Did the special committee
5 investigate potential claims against
6 current directors, officers, and employees
7 at Genesis?

8 MS. VANLARE: Objection. Asked
9 and answered.

10 And again --

11 MS. GRIFFITH: The prior question
12 was about former. This is current.

13 MS. VANLARE: I'm referencing
14 your prior question in response to Mr.
15 Aronzon already testified all of the
16 types of claims and issues that were
17 considered by the special committee.

18 MS. GRIFFITH: He did not specify
19 who he was investigating those claims
20 against, just the time frames.

21 MS. VANLARE: His testimony
22 addresses this question.

23 Mr. Aronzon, again to the extent
24 your answer would reflect or reveal
25 any client-attorney privileged

1 P. Aronzon

2 communications, I would instruct you
3 not to answer.

4 THE WITNESS: It is a category
5 that we looked into.

6 Q. Approximately how many
7 individuals were employed at Genesis at
8 any given time in 2022?

9 A. I don't know.

10 Q. Ballpark number.

11 MS. VANLARE: Objection. Asked
12 and answered.

13 THE WITNESS: I really have no
14 basis to make that determination.

15 Q. Approximately how many directors
16 and officers were employed at Genesis at
17 any given time in 2022?

18 MS. VANLARE: Objection.

19 THE WITNESS: I don't know the
20 exact number.

21 Q. Ballpark estimate.

22 MS. VANLARE: Objection.

23 THE WITNESS: Directors? I came
24 in at the end of 2022 and I think
25 there were four directors.

1 P. Aronzon

2 I'm really not certain of the
3 total number. I'm more focused or
4 have been more focused on who is
5 around after I became a member of the
6 board. And as I testified earlier
7 this morning, there were a few other
8 directors and the special committee at
9 some point a few months into the case,
10 two, three, four, five, I don't
11 remember, basically took over.

12 Q. Do you know how many individuals
13 are currently employed at Genesis?

14 MS. VANLARE: Objection.

15 THE WITNESS: No. They've been
16 downsizing. I don't know the number.

17 Q. Do you know how many individuals
18 are current directors and officers at
19 Genesis?

20 MS. VANLARE: Objection.

21 THE WITNESS: Directors, there's
22 Tom Conheeney and myself. And as I
23 said earlier this morning, I'm not
24 sure whether the other directors, for
25 instance the DCG directors, I don't

1 P. Aronzon

2 recall whether they actually formally
3 resigned or not. But the special
4 committee has functioned as the board
5 for many months now.

6 Officers, there's a handful,
7 two, three, four.

8 Q. How many interviews have been
9 conducted as part of the special
10 committee's investigation?

11 MS. VANLARE: Objection.

12 THE WITNESS: I don't know the
13 number. Several.

14 Q. And this will refresh your
15 recollection if we look at the amended
16 disclosure statement again, Exhibit 6,
17 page thirty-six on the bottom, page
18 fifty-one of three one six on the top.

19 MS. VANLARE: I'm sorry, counsel,
20 what page was that again?

21 MS. GRIFFITH: Sure.

22 So on the bottom, it's numbered
23 page thirty-six. At the top of the
24 PDF, it says page fifty-one of three
25 hundred six.

1 P. Aronzon

2 MS. VANLARE: Thank you.

3 Q. Are you on that page?

4 A. Yes.

5 Q. And if you look right in the
6 middle of that page, there's a paragraph
7 that states, "as part of the
8 investigation, Cleary conducted more than
9 thirty interviews with approximately
10 twelve current and former employees
11 allocated to the company".

12 Do you see that?

13 A. Yes.

14 Q. And if you keep reading, it
15 says, "between December 4, 2022 and
16 January 24, 2023, Cleary conducted ten
17 preliminary interviews with current
18 employees".

19 Do you see that?

20 A. Yes.

21 Q. And then the next sentence
22 states that Cleary -- states in part,
23 "Cleary conducted at least nineteen more
24 substantive interviews with both current
25 and former employees".

1 P. Aronzon

2 Do you see that?

3 A. Yes.

4 Q. So it looks like there's ten
5 preliminary interviews, nine substantive
6 interviews that took place. But the first
7 sentence states approximately twelve
8 current and former employees were
9 interviewed. And so I'm trying to figure
10 that out.

11 Does that mean that similar --
12 the same individuals were interviewed
13 twice, both for the preliminary interviews
14 and the substantive interviews?

15 MS. VANLARE: Objection.

16 THE WITNESS: I don't know.

17 Q. Do you know who Cleary
18 interviewed?

19 MS. VANLARE: Objection.

20 And to the extent this would
21 reveal attorney-client communication,
22 I would instruct the witness not to
23 answer.

24 THE WITNESS: I can't answer it
25 without talking about the reports that

1 P. Aronzon

2 we received.

3 Q. You publicly filed details about
4 the results of the special committee
5 investigation here on the docket in the
6 amended disclosure statement. You can't
7 really pick and choose what is considered
8 privilege or what's not considered
9 privilege. You put the topic of
10 interviews in the amended disclosure
11 statement revealing what you investigated.
12 And so I'm asking who were the targets of
13 these interviews.

14 Do you know who they were?

15 MS. VANLARE: Objection.

16 The information that is in the
17 disclosure statement is by definition
18 public. Other information relating to
19 the investigation is privileged. The
20 witness has already testified that he
21 can't answer your question without
22 revealing privileged information.
23 Therefore, I would instruct the
24 witness not to answer the question.

25 Q. Are you claiming that it's

1 P. Aronzon

2 privileged information whether you know
3 who was interviewed or not?

4 MS. VANLARE: I'm not sure if
5 you're referencing -- if you're
6 addressing your question to the
7 witness or to me.

8 However, in response to your
9 question, my objection stands. And
10 again, I would instruct the witness
11 not to answer to the extent the answer
12 reveals privileged communication,
13 which he said it would.

14 Q. Mr. Aronzon, I'm asking is the
15 identity of the witnesses who were
16 interviewed privileged information, in
17 your opinion?

18 MS. VANLARE: Ms. Griffith,
19 objection.

20 Again, I'm happy to repeat what
21 I just said, but it's the same
22 objection and same instruction to the
23 witness.

24 Q. Did you sit in on any of these
25 interviews?

1 P. Aronzon

2 MS. VANLARE: Objection.

3 You may answer yes or no.

4 THE WITNESS: No.

5 Q. Did you ask any questions during
6 any of these interviews via prewritten
7 questions that were sent?

8 MS. VANLARE: Objection.

9 And again, Mr. Aronzon, I would
10 instruct you not to reveal any
11 attorney-client communications or
12 attorney work product in connection
13 with the investigations.

14 THE WITNESS: Are you asking did
15 I ask our lawyers to ask specific
16 questions?

17 Q. Yes.

18 MS. VANLARE: Objection.

19 I would instruct the witness not
20 to answer to the extent it reveals any
21 attorney work product or
22 attorney-client communications.

23 Q. I'm not asking the substance of
24 the questions, I'm asking your involvement
25 and if you were -- the level of your

1 P. Aronzon

2 involvement.

3 MS. VANLARE: If you're asking
4 the witness if he spoke to his counsel
5 about the investigations; is that your
6 question?

7 MS. GRIFFITH: Yes, did he help
8 prepare for the interviews.

9 MS. VANLARE: Again --

10 MS. GRIFFITH: I'm not asking
11 which questions he prepared, I'm
12 asking whether he was part of the
13 process for preparing for the
14 interviews that were conducted on
15 behalf of the special committee.

16 MS. VANLARE: Counsel, again
17 objection to your questions.

18 And I would instruct the witness
19 not to answer as it all calls for
20 privileged information.

21 Q. Did you -- do you know if these
22 interviews were recorded?

23 MS. VANLARE: Same objection.

24 You may answer yes or no, if you
25 know.

1 P. Aronzon

2 THE WITNESS: I don't know.

3 Q. Did you review any transcripts
4 of these interviews?

5 MS. VANLARE: Objection.

6 Again, I'm going to instruct the
7 witness not to answer as this goes
8 into the details of the investigation
9 which are all privileged.

10 MS. GRIFFITH: On what basis is
11 whether Mr. Aronzon, who's a special
12 committee member who's tasked with
13 evaluating whether individuals should
14 be released privileged if he reviewed
15 an interview transcript? I'm not
16 asking his thoughts or analysis of the
17 interview transcript, I'm asking
18 whether he reviewed it.

19 MS. VANLARE: Counsel, you're
20 asking questions that relate to the
21 conduct of an investigation that was
22 done by counsel and you're asking
23 about actions and conversations and
24 events that took place in the context
25 of a -- again an investigation that is

1 P. Aronzon

2 attorney-client communication and/or
3 attorney work product.

4 Q. So are you refusing to answer
5 the question of whether the special
6 committee reviewed any interview
7 transcripts?

8 MS. VANLARE: Again, objection.

9 The witness is not refusing. I'm
10 instructing the witness not to answer
11 for the reasons that I identified
12 earlier.

13 Q. And just so the record is clear,
14 are you refusing to identify which
15 witnesses were interviewed as part of the
16 special committee investigation that are
17 listed here in the paragraph in the
18 amended disclosure statement that we
19 looked at?

20 MS. VANLARE: Objection.

21 Again, as stated previously, the
22 witness is not refusing. I am
23 instructing the witness not to answer,
24 however, for the reasons I identified
25 earlier in that it calls for

1 P. Aronzon

2 attorney-client communication and
3 attorney work product and is therefore
4 privileged information.

5 Q. And are you going to take your
6 counsel's advice, Mr. Aronzon?

7 A. I always do.

8 Q. How were the individuals that
9 were interviewed selected to be
10 interviewed?

11 MS. VANLARE: Again, objection,
12 for the same reason. This goes into
13 the details of the investigation and
14 is all subject to attorney-client
15 privilege and attorney work product,
16 and I would instruct the witness not
17 to answer.

18 Q. Are you following that
19 instruction again?

20 A. I always do.

21 Q. Was anyone that was interviewed
22 not a current or former employee of
23 Genesis?

24 MS. VANLARE: Objection.

25 Once again, the question calls

1 P. Aronzon

2 for privileged information. I would

3 instruct the witness not to answer.

4 Q. Are you going to answer the

5 question, Mr. Aronzon?

6 A. No.

7 Q. During the course of your

8 investigation, did the special committee

9 investigate communications that Genesis

10 had with Genesis customers?

11 MS. VANLARE: Objection once

12 again for the same reason. Calls for

13 privileged communication.

14 And I would instruct the witness

15 not to answer.

16 Q. Once again, Mr. Aronzon, are you

17 going to answer the question or not?

18 A. No. And when I'm instructed not

19 to answer, I'm not going to answer.

20 Q. The special committee

21 investigated DCG; correct?

22 MS. VANLARE: Mr. Aronzon, you

23 may answer yes or no, but beyond that

24 I would caution -- well, I would

25 instruct you to answer yes or no to

1 P. Aronzon

2 that question.

3 THE WITNESS: Yes.

4 Q. And if we look at the top of
5 page thirty-six, there's much more than a
6 yes or no answer that was publicly filed
7 on the docket about the special
8 committee's investigation into DCG. I'll
9 read the line into the record.

10 It says, "as part of its
11 mandate, the special committee was charged
12 with evaluating and improving transactions
13 with affiliates, including DCG parties and
14 investigating the debtors' relationships
15 and transactions with DCG parties. One of
16 the primary purposes of this investigation
17 has been to assess whether the debtors
18 have potentially viable claims against the
19 DCG parties and to assist the special
20 committee in the exercise of its fiduciary
21 duties".

22 Do you see that?

23 A. Yes.

24 Q. Has the special committee
25 determined whether the debtors have

1 P. Aronzon

2 potentially viable claims against the DCG
3 parties?

4 MS. VANLARE: Objection.

5 Counsel, the language is what it
6 is. You're misstating the language.
7 Obviously the witness can refer to
8 what is in the disclosure statement.

9 THE WITNESS: At the bottom of
10 the page there's a sentence that says,
11 "the special committee concluded that
12 there are colorable claims against
13 certain DCG parties for various causes
14 of action", and it goes on to say,
15 "including potential claims based on
16 alter ego, preference, and other legal
17 cognizable rights".

18 Q. And has the special committee
19 ever calculated a value of these claims?

20 MS. VANLARE: Objection.

21 I'm going to instruct the
22 witness not to answer as it would
23 reveal attorney work product and
24 attorney-client communication.

25 Q. And you're following that advice

1 P. Aronzon

2 again, Mr. Aronzon?

3 A. As I said earlier.

4 Q. I have to keep asking for the
5 record.

6 A. I understand.

7 Q. Thank you for your cooperation.

8 Did the special committee
9 investigate potential preference claims
10 against DCG parties?

11 MS. VANLARE: You may answer yes
12 or no, Mr. Aronzon.

13 THE WITNESS: Yes.

14 Q. And did the special committee
15 also investigate preference claims against
16 Gemini and Gemini lenders?

17 MS. VANLARE: Objection.

18 To the extent your answer would
19 reveal any attorney-client
20 communication or attorney work
21 product, again the disclosure
22 statement is a publicly filed document
23 and has information relating to the
24 investigations.

25 THE WITNESS: Can I ask a

1 P. Aronzon

2 question? Is there a paragraph that
3 talks about preference claims so I can
4 see what we said publicly?

5 Q. Yes. On page forty-five at the
6 bottom, page sixty of three hundred six at
7 the top, there's a paragraph on the
8 special committee's investigation and its
9 analysis of preference claims relating to
10 Gemini and/or the Gemini lenders.

11 Do you see that?

12 A. It's paragraph A?

13 Q. Yes.

14 A. Little A? Yes.

15 Q. So were you involved with the
16 investigation into preference claims
17 against Gemini and the Gemini lenders?

18 MS. VANLARE: Objection.

19 You can answer yes or no.

20 THE WITNESS: Involved, I'm not
21 sure what that means, but our
22 professionals did this work.

23 Q. And did your professionals
24 report their findings on this work to the
25 special committee?

1 P. Aronzon

2 MS. VANLARE: Objection, but you
3 can answer yes or no.

4 THE WITNESS: I believe they
5 did.

6 Q. So you just testified that the
7 special committee investigated potential
8 preference claims against the DCG parties,
9 Gemini, and the Gemini lenders.

10 Did the special committee
11 investigate potential preference claims
12 against parties other than those entities?

13 MS. VANLARE: Objection.

14 You may answer yes or no, but
15 anything revealing attorney-client
16 communication or work product I would
17 instruct you not to answer.

18 THE WITNESS: I believe the
19 answer is yes.

20 Q. Did the special committee
21 investigate preference claims against
22 former directors and officers of Gemini?

23 MS. VANLARE: Objection. Calls
24 for -- again, calls for privileged
25 communication.

1 P. Aronzon

2 You may answer yes or no to the
3 extent it would not reveal attorney
4 work product or privileged
5 communications.

6 THE WITNESS: I actually don't
7 recall all of the individuals or
8 entities that we looked at besides
9 those identified in the disclosure
10 statement. I'd have to go digging
11 around to see.

12 Q. So sitting here today, you can't
13 recall if the special committee
14 investigated potential preference claims
15 against directors, former directors and
16 officers at Gemini?

17 MS. VANLARE: Objection.
18 Misstates his testimony.

19 Counsel, if you want to point
20 him to a section of the disclosure
21 statement, please do so. The
22 disclosure statement or the plan.

23 MS. GRIFFITH: I'm asking from
24 his recollection as someone who was
25 critical to approving whether

1 P. Aronzon

2 directors and officers at Gemini are
3 getting releases, if he considered
4 preference claims against those
5 individuals as part of that analysis.

6 MS. VANLARE: Mr. Aronzon, you
7 may answer yes or no, but beyond that
8 I would instruct you not to answer as
9 it would call for privileged
10 communications and attorney work
11 product.

12 THE WITNESS: Well, I'm not
13 quite sure how to answer this, because
14 the releases don't apply to former
15 directors and officers. It only
16 relates to people who were working for
17 the company from and after the
18 petition date. I don't recall the
19 group of people we looked at, but we
20 certainly looked at a number of
21 different entities and individuals.

22 Q. And when you're saying you
23 looked at a number of different entities
24 and individuals, you're talking about
25 looking at them and whether there was

1 P. Aronzon

2 preference claims against them; that's
3 what you meant by looking at them?

4 MS. VANLARE: Objection.

5 THE WITNESS: It was all done
6 professionals, that's number one.

7 And number two, when I say
8 looking at them, we would have looked
9 at preference claims, and we may have
10 looked at other things, too, depending
11 on what we know or didn't know at the
12 time.

13 Q. Do you know if any of the
14 individuals that are currently set to
15 receive releases have preference liability
16 to the estate?

17 MS. VANLARE: Objection.

18 Attorney-client privilege and work
19 product.

20 I would instruct the witness not
21 to answer.

22 Q. Are you going to answer the
23 question?

24 A. I was waiting for you to ask.

25 No, I'm not.

1 P. Aronzon

2 Q. Do you know the answer to that
3 question without revealing the answer?
4 Just in general, do you know if any of the
5 individuals on the released Genesis
6 personnel list have preference liability
7 to the estate?

8 MS. VANLARE: Objection to the
9 extent answering that would reveal
10 attorney-client communication.

11 THE WITNESS: I don't know how
12 to answer it without talking about
13 what we learned from our
14 professionals, so it's -- I don't
15 think I can answer it without that.

16 Q. Whether you know or do not know
17 a fact is not privileged information.

18 MS. VANLARE: Counsel, you're
19 using legal terminology, for example
20 "preference liability", that is
21 inherently a legal question, and so
22 how the witness would answer that, it
23 would be of course informed by
24 communications with counsel and legal
25 analysis.

1 P. Aronzon

2 Q. You could answer.

3 A. I can't.

4 MS. VANLARE: I think he can't.

5 I think he's answered the question.

6 Q. Do you know if any of the
7 individuals set to get releases withdrew
8 any assets from Genesis within ninety days
9 prior to the petition date?

10 MS. VANLARE: Objection.

11 Objection to form.

12 If you know the answer.

13 THE WITNESS: What I know I
14 learned through all of our
15 professionals' work, so it's hard for
16 them to answer that.

17 Q. You can still answer yes or no
18 if you know that fact or not.

19 MS. VANLARE: He's already
20 answered the question.

21 THE WITNESS: Yeah.

22 Q. You did not answer yes or no.

23 A. I don't know how to answer it
24 without talking about what I learned from
25 our professionals. That's my problem

1 P. Aronzon

2 here. I don't want an inadvertent comment
3 to be made to argue for some kind of
4 waiver.

5 Q. Whether individuals withdrew
6 assets from Genesis is not privileged
7 information.

8 MS. VANLARE: Objection. It's
9 not clear what you mean by your
10 question, first of all.

11 Q. Individuals that are set to get
12 releases, if they withdrew any assets of
13 any kind, crypto included, from Genesis
14 within ninety days of the petition date is
15 not a privileged fact. That's just a
16 fact.

17 MS. VANLARE: Mr. Aronzon, again
18 if -- to the extent you can answer
19 without conversations with counsel,
20 you may answer. But to the extent
21 this is -- that your knowledge comes
22 from conversations with counsel and is
23 informed by conversations with
24 counsel, I would instruct you not to
25 answer.

1 P. Aronzon

2 THE WITNESS: I believe it is
3 informed by conversations with
4 counsel.

5 Q. So separate from communications
6 with counsel, I don't want you to reveal
7 that, I just want to know yes or no if you
8 know whether any of the individuals that
9 are set to get releases withdrew any
10 assets from Genesis within the ninety-day
11 period.

12 MS. VANLARE: Ms. Griffith,
13 you've asked -- I didn't mean to
14 interrupt.

15 MS. GRIFFITH: I'm not asking the
16 substance, I'm asking the fact, does
17 he know that fact or does he not know
18 that fact. That is not a privileged
19 question. Whether or not he knows
20 that, that's a yes or no answer.

21 MS. VANLARE: Ms. Griffith, the
22 witness has answered at least three
23 times that he is unable to answer that
24 question without revealing
25 conversations that he's had with

1 P. Aronzon

2 counsel.

3 Q. So you're refusing to answer the
4 question whether, as a special committee
5 member, you know that in a way that would
6 not reveal privileged communications; is
7 that correct?

8 MS. VANLARE: Objection to that
9 comment. He's not refusing to answer.
10 He has answered the question and you
11 can review the transcript as to his
12 answer.

13 Q. My question's still pending.
14 Is that correct?

15 MS. VANLARE: Objection. He's
16 answered the question.

17 Q. Are you still going to refuse to
18 answer the question, Mr. Aronzon, so we
19 can wrap up this part?

20 MS. VANLARE: Objection to your
21 characterization. He's not refusing.
22 He has answered the question.

23 Mr. Aronzon, if you want to
24 clarify that your answer stands, you
25 can do so, and hopefully we can move

1 P. Aronzon

2 on.

3 THE WITNESS: I believe all of
4 the information I have here came from
5 counsel.

6 MS. GRIFFITH: I'm going to
7 introduce as a new exhibit, Exhibit 7.

8 (Whereupon, a document entitled
9 Exhibit F was marked Aronzon
10 Exhibit 7 for identification.)

11 THE WITNESS: Can I close the
12 disclosure statement? Are we done
13 with it?

14 MS. GRIFFITH: Yes. We might go
15 back to it at one point, but for now
16 we're done with it.

17 And this, for the record, is a
18 notice of filing for plan supplement
19 for the debtors' amended joint
20 Chapter 11 plan filed publicly on the
21 docket as number 1117.

22 Q. Tell me when you're able to
23 access that, please.

24 A. I have it.

25 Q. And if you could flip to the end

1 P. Aronzon

2 of this document, page twenty-one of
3 twenty-two, that's Exhibit S and it's
4 titled Justification For Exculpated and
5 Released Parties.

6 A. I have it.

7 Q. The first paragraph of this page
8 has a defined term in it called the
9 released Genesis personnel.

10 Do you see that?

11 A. Yes.

12 Q. Were current Genesis employees
13 included in the released Genesis personnel
14 list?

15 MS. VANLARE: Objection.

16 THE WITNESS: Current as of
17 when?

18 Q. You tell me.

19 MS. VANLARE: Objection.

20 THE WITNESS: Well, I'm reading
21 the language.

22 "Subject to our reservation of
23 rights, the special committee has
24 provided its prior written consent for
25 the release of current or former

1 P. Aronzon

2 employees, officers, directors of the
3 debtors solely in such person's
4 capacity as such who served as an
5 employee, officer, or director of the
6 debtors pursuant" -- no, "of the
7 debtors from and after the petition
8 date, including any employees of GGT
9 who served or functioned as employees
10 of the debtor pursuant to a shared
11 services arrangement with GGT".

12 So when you use the word
13 "current", if you're using it the way
14 it's included here, then the answer is
15 yes.

16 Q. And are you, as a special
17 committee member, familiar with the
18 individuals that are on the -- with the
19 released --

20 MS. GRIFFITH: Strike that.

21 Q. Are you familiar, as a special
22 committee member, with who is on the
23 released Genesis personnel list?

24 MS. VANLARE: Objection.

25 To the extent you know, you can

1 P. Aronzon

2 answer, but I would caution to the
3 extent it would reveal any
4 attorney-client communications.

5 THE WITNESS: Am I familiar with
6 who's on the list?

7 Q. Yes, have you reviewed the list?

8 A. I believe I've seen it, yes, or
9 a list. And the work is not done yet, so
10 the list could change.

11 Q. The list as it stands now, does
12 it contain current Genesis employees on
13 it?

14 MS. VANLARE: Objection.

15 THE WITNESS: Genesis meaning
16 the whole empire of Genesis?

17 Q. Yes.

18 MS. VANLARE: Objection.

19 THE WITNESS: I believe it does.
20 Sorry, Jane.

21 Q. And are any individuals that are
22 currently on the released Genesis
23 personnel list former employees, officers,
24 or directors of Genesis?

25 MS. VANLARE: Objection.

1 P. Aronzon

2 You may answer if you know.

3 THE WITNESS: If people were
4 there on the petition date who fit in
5 those categories and they left
6 subsequently, then I believe the
7 answer is yes.

8 Q. How many of the individuals that
9 are currently on the released Genesis
10 personnel list have been interviewed?

11 MS. VANLARE: Objection.

12 This goes into the investigation
13 which again is subject to attorney
14 work product and attorney-client
15 privilege and I would instruct the
16 witness not to answer.

17 Q. And once again, I'm not asking
18 for you to reveal your discussions with
19 counsel. I'm asking if you know, as a
20 special committee member, the number of
21 employees on the list that were
22 interviewed or not as a fact.

23 MS. VANLARE: Again, that goes
24 into the way in which the
25 investigation was conducted which is

1 P. Aronzon

2 subject to privilege, and I would
3 instruct the witness not to answer the
4 question.

5 Q. Are you going to answer the
6 question?

7 A. No.

8 Q. Do you know if the special
9 committee is planning on interviewing all
10 of the individuals on the list prior to
11 the list being finalized?

12 MS. VANLARE: Same objection.

13 This again calls for privileged
14 communication and attorney work
15 product, and I would instruct the
16 witness not to answer.

17 Q. Are you going to answer the
18 question?

19 A. I follow the instructions of my
20 counsel.

21 Q. In your opinion, as a special
22 committee member, separate from the advice
23 of your counsel, do you think it's
24 necessary to interview all of the people
25 that are set to get releases prior to them

1 P. Aronzon

2 being released?

3 MS. VANLARE: Objection. Calls
4 for privileged communication and
5 attorney work product, and I would
6 instruct the witness not to answer.

7 Q. Are you going to answer that
8 question?

9 A. No.

10 Q. Have you personally interviewed
11 anyone that is set to be released on the
12 released Genesis personnel list?

13 MS. VANLARE: Objection. Again
14 calls for the details of the
15 investigation which is subject to
16 attorney-client privilege and attorney
17 work product, and I would instruct the
18 witness not to answer.

19 Q. Are you claiming that whether
20 you, as a special committee --

21 MS. GRIFFITH: Strike that.

22 Q. Earlier in this deposition, you
23 testified that you were not working on the
24 special committee as an attorney; correct?

25 A. I'm not working as an attorney

1 P. Aronzon

2 for anybody anywhere since 2019.

3 Q. So if you were to interview a
4 witness personally, that would not be an
5 interview conducted in an attorney
6 fashion; correct?

7 MS. VANLARE: Objection.

8 Anything relating to the
9 investigation is subject to privilege
10 as it was conducted by counsel and
11 under the direction of counsel and as
12 such, I would instruct the witness not
13 to answer.

14 Q. I'm not asking whether counsel
15 conducted these interviews. I'm asking
16 whether you, Mr. Aronzon, you, as a
17 special committee member, conducted any
18 interviews of any person that is set to be
19 released.

20 MS. VANLARE: And again, my
21 comment was broader than what you just
22 stated, which is to say that the way
23 in which the investigation was
24 conducted was directed by counsel, and
25 so any details relating to the

1 P. Aronzon

2 investigation, unless they're made
3 public through the disclosure
4 statement or the plan supplement, are
5 subject to privilege, and I would
6 instruct the witness not to answer
7 those questions.

8 Q. You previously testified that
9 you did not conduct any interviews. So
10 I'm just asking if you personally
11 interviewed anyone that's going to be
12 released.

13 MS. VANLARE: Objection.

14 MS. GRIFFITH: It's a yes or no
15 answer.

16 MS. VANLARE: You have the
17 testimony that you have. You can
18 refer to the transcript.

19 Q. Are you going to answer the
20 question, Mr. Aronzon?

21 A. Was I instructed not to?

22 MS. VANLARE: I object to the
23 question. You can refer to prior
24 testimony.

25 If you want to repeat the

1 P. Aronzon

2 question and prior testimony to
3 refresh the witness' recollection, I
4 would have no objection to that.

5 Q. Have you personally interviewed
6 any person or entity, so a representative
7 of an entity, that is currently set to
8 receive a release?

9 MS. VANLARE: What was his prior
10 testimony? Are you reading his prior
11 testimony, counsel?

12 MS. GRIFFITH: No, I'm repeating
13 the question that I had which you
14 objected to.

15 MS. VANLARE: Correct.

16 I am asking you if you are
17 asking -- if you are representing that
18 he testified to something, please --

19 MS. GRIFFITH: This is a
20 different question.

21 MS. VANLARE: Okay.

22 Q. Have you personally interviewed,
23 Mr. Aronzon, any person that is --

24 A. It's Aronzon, Aronzon.

25 Q. My apologies.

1 P. Aronzon

2 A. Ignore the Z. I have no idea
3 where it came from. It's Aronzon.

4 Q. My apologies, Aronzon.

5 Have you personally interviewed
6 anyone or a representative of any entity
7 that is set to get a release?

8 MS. VANLARE: Objection. Again
9 calls for information relating to the
10 way in which the investigation was
11 conducted, and as such, I would
12 instruct the witness not to answer.

13 Q. Sorry, you're refusing to answer
14 that question?

15 A. I'm instructed not to.

16 Q. Looking at the first paragraph
17 that we looked at previously which you
18 read out loud in part on the record, it
19 says that "the special committee has,
20 subject to the reservation of rights set
21 forth herein, provided its prior written
22 consent for the release of current or
23 former employees, officers, and directors
24 of the debtors, solely in such person's
25 capacity as such who served as an

1 P. Aronzon
2 employee, officer, or director of the
3 debtors from or after the petition date".

4 Do you see that?

5 A. Yes.

6 Q. What did you do as a special
7 committee member to feel confident that
8 releases were warranted prior to granting
9 written consent?

10 MS. VANLARE: Objection to the
11 extent it would reveal any
12 attorney-client communications.

13 But to the extent that -- you
14 can answer the question without
15 revealing any attorney-client
16 communication, you may do so.

17 THE WITNESS: Without revealing
18 anything I was told, he relied on our
19 professionals, including our counsel.

20 Q. Did the special committee make
21 any independent decisions separate from
22 counsel?

23 MS. VANLARE: Objection. Vague.

24 THE WITNESS: I can't answer
25 that one without revealing

1 P. Aronzon

2 conversation with counsel.

3 Q. So did the special committee
4 independently, separate from
5 communications with counsel, consider
6 whether releases of current or former
7 employees should be granted? Did it make
8 an independent decision separate from
9 counsel?

10 MS. VANLARE: Objection.

11 To the extent that the question
12 calls for any attorney-client
13 privileged communications or attorney
14 work product, I would instruct you not
15 to answer.

16 Q. Are you going to answer the
17 question?

18 A. I'm not sure how to answer it.

19 Q. The special committee provided
20 written consent for the release of certain
21 former and current Genesis personnel;
22 correct?

23 A. That is exactly what the
24 disclosure statement says.

25 Q. And do you know that in your

1 P. Aronzon

2 personal capacity separate and aside from
3 just reading this piece of paper?

4 A. Yes.

5 Q. And let's talk about the process
6 for that.

7 What is involved with you giving
8 written consent?

9 MS. VANLARE: Objection.

10 THE WITNESS: I don't know how
11 to answer this without talking about
12 all the things we discussed with
13 counsel.

14 MS. VANLARE: I'm sorry, are you
15 asking the mechanics as in e-mail
16 or --

17 Q. To decide whether to release
18 someone or not, you considered a variety
19 of factors; correct?

20 MS. VANLARE: Objection.

21 To the extent you can answer
22 without attorney-client privilege, a
23 yes or no question.

24 THE WITNESS: We considered a
25 variety of facts, correct.

1 P. Aronzon

2 Q. And was your analysis of those
3 factors completely in alignment with
4 everything your counsel told you or did
5 you ever disagree with anything counsel
6 said?

7 MS. VANLARE: Objection.

8 I'm going to instruct the
9 witness not to answer as it calls for
10 attorney-client communication.

11 Q. In your opinion, did you just
12 rubber stamp what your counsel told you
13 about whether employees should be on the
14 released list, or did you, as a special
15 committee member, make your own
16 independent assessment?

17 MS. VANLARE: Objection to the
18 form.

19 As to the substance of the
20 question again, I would caution the
21 witness to the extent your answer
22 would reveal any attorney-client
23 communication or work product, I would
24 instruct you not to answer. To the
25 extent there's any part of the answer

1 P. Aronzon

2 that you can speak to about the
3 process that would not reveal
4 attorney-client communication, you may
5 do so.

6 THE WITNESS: There was
7 extensive discussion between us and
8 our counsel about all of this.

9 Q. Was there any separate analysis
10 done without counsel?

11 MS. VANLARE: Objection.

12 I believe the witness has
13 already testified that the information
14 and the deliberations were with
15 counsel or on the basis of attorney
16 work product.

17 As such, I would instruct the
18 witness not to answer.

19 Q. Are you not going to answer that
20 question?

21 A. I'm not.

22 Q. Are releases being sought for
23 those on the released Genesis personnel
24 list for both pre and post-petition
25 conduct of individuals on the list?

1 P. Aronzon

2 MS. VANLARE: Objection.

3 THE WITNESS: I'd have to look
4 at the actual release language. It's
5 pretty dense. But I believe it is for
6 pre and post conduct.

7 Q. And how is the prepetition
8 conduct of the individuals on the Genesis
9 released personnel list investigated prior
10 to these individuals being put on the
11 list?

12 MS. VANLARE: Again, objection.
13 This directly calls for the results of
14 an investigation conducted by counsel
15 and would reveal attorney-client
16 communication and as such, I would
17 instruct the witness not to answer.

18 Q. Are you going to answer the
19 question?

20 A. No.

21 Q. Do you know if any individual on
22 the Genesis released personnel list ever
23 was employed by or served as a director of
24 any digital currency group entity other
25 than the debtors?

1 P. Aronzon

2 MS. VANLARE: Objection.

3 To the extent this would reveal
4 attorney-client privileged
5 information, to the extent you know as
6 a fact matter, you may answer.

7 THE WITNESS: I believe in the
8 very first paragraph at the end
9 there's a sentence that says, "for the
10 avoidance of doubt, none of the
11 released Genesis personnel are or also
12 DCG parties". I've have to go look at
13 the definition of DCG parties, but I
14 believe the answer -- if you're asking
15 me were any of those people who were
16 employed at Genesis also employed at
17 DCG and are they getting a release, I
18 think the answer is no, they're not.

19 Q. Do you know if any of the
20 individuals currently on the Genesis
21 released personnel list ever were involved
22 in any way with debtors lending to any DCG
23 entity?

24 MS. VANLARE: Objection.

25 I would caution to the extent

1 P. Aronzon

2 this would reveal any attorney-client
3 privilege or work product.

4 To the extent you know as a fact
5 matter, you may answer.

6 THE WITNESS: Ask it again.

7 Q. Do you know if any of the
8 individuals currently on the released
9 Genesis personnel list ever were involved
10 with debtors lending to any DCG-owned
11 entity?

12 MS. VANLARE: Objection.

13 To the extent the witness would
14 have this information, to the extent
15 he does that results from
16 attorney-client communications or
17 attorney work product, I would
18 instruct the witness not to answer.

19 Q. It's your knowledge as a fact.
20 So it's a yes or no question whether,
21 sitting here today, you know that.

22 MS. VANLARE: To the extent that
23 the information that the witness knows
24 came from an investigation subject to
25 privilege and -- to the extent it came

1 P. Aronzon

2 from attorney-client communications,
3 it is privileged. The witness
4 obviously doesn't have fact -- well, I
5 don't believe the witness is a fact
6 witness as to the period of time that
7 you're asking about because he was not
8 appointed -- he was not an employee
9 and he was only appointed to the
10 special committee, as he testified to
11 previously, in November of 2022.

12 MS. GRIFFITH: The special
13 committee is charged with the ultimate
14 authority of granting releases and the
15 witness testified that prepetition
16 conduct was considered in whether to
17 grant these releases. So I'm asking
18 about prepetition conduct and whether
19 he is aware, if he has the knowledge,
20 as a special committee member with the
21 authority to grant these releases, if
22 any of the individuals that are
23 currently on the released Genesis
24 personnel list were ever involved with
25 debtors lending to any DCG-end entity.

1 P. Aronzon

2 MS. VANLARE: Again, objection.

3 To the extent the information
4 came from counsel and is -- and came
5 from an investigation conducted by
6 counsel, it is privileged, and I would
7 instruct the witness not to answer.

8 Q. So are you saying the fact --
9 I'm not asking the substance, I'm not
10 asking who was involved or what was
11 investigated, I'm asking the fact about
12 whether debtors lending to any DCG-owned
13 entities was investigated.

14 That's privileged? That's what
15 you're claiming?

16 MS. VANLARE: The subject of the
17 investigation that was conducted and
18 the topics of that investigation are
19 attorney work product and are subject
20 to privilege.

21 I would instruct the witness not
22 to answer.

23 Q. If, in your opinion as a special
24 committee member, you were to find out
25 that any individual on the released

1 P. Aronzon

2 Genesis personnel list was ever involved
3 with debtors lending to any DCG-owned
4 entity, would that impact your decision on
5 whether to grant that individual or entity
6 a release?

7 MS. VANLARE: Objection.

8 Again, calls for speculation.

9 But secondly again, you're
10 asking for what the witness knows and
11 may have discussed or assessed in the
12 context of an investigation that is
13 conducted by counsel at the direction
14 of counsel and is therefore
15 privileged.

16 As such, I would instruct the
17 witness not to answer.

18 Q. Are you refusing to answer the
19 question?

20 A. I'm not instructed not to.

21 Q. The subject of releases and the
22 justification for released parties is
23 publicly filed on the docket and it's a
24 matter that will be heard in court. It's
25 a matter of whether the plan will be

1 P. Aronzon

2 confirmed. So we're allowed to ask facts
3 about the releases and what was done to
4 determine if the releases are appropriate
5 or not.

6 MS. VANLARE: Ms. Griffith, the
7 information -- you're right in that
8 there was information about the
9 releases and the justification for
10 exculpating released parties was filed
11 as part of the plan supplement.
12 There's also disclosure in the
13 disclosure statement.

14 However, a lot of the
15 information relating to this topic is
16 privileged therefore, your questions
17 call for privileged information and I
18 therefore, depending on the question,
19 have instructed the witness not to
20 answer in accordance with the fact
21 that again it is subject to privilege.

22 If you have an issue with that,
23 we can discuss it.

24 Q. I'm move on to my next question.

25 Do you know if any of the

1 P. Aronzon

2 individuals currently on the released
3 Genesis personnel list were ever involved
4 with Genesis' lending to Grayscale Bitcoin
5 Trust?

6 MS. VANLARE: Objection.

7 Once again, you've asked this
8 question multiple times.

9 MS. GRIFFITH: I've never asked
10 about Grayscale Bitcoin Trust.

11 MS. VANLARE: You're right, I
12 stand corrected, it's a different
13 question. However, I'm going to have
14 a similar instruction to the witness,
15 which is to say that, to the extent
16 that anything you know about this came
17 from your conversations with counsel,
18 I will instruct you not to answer.

19 Q. And are you going to answer the
20 question?

21 A. I follow my instructions.

22 Q. Sitting here today as a special
23 committee member, would it impact your
24 decision on whether to authorize releases
25 if you were to find out that any of the

1 P. Aronzon

2 individuals on the released Genesis
3 personnel list ever were involved with
4 Genesis' lending to Grayscale Bitcoin
5 Trust?

6 MS. VANLARE: I'm going to object
7 and once again instruct the witness
8 not to answer as it calls for
9 privileged information and attorney
10 work product done as part of the
11 investigation.

12 And with that, we don't have to
13 stop now, but I do note the time,
14 we've been going on for some time, and
15 I don't know if Mr. Aronzon would like
16 a lunch break. I raise that. We
17 don't have to do it right now. If the
18 witness would like to, I think it's
19 going to be time for a break soon.

20 MS. GRIFFITH: We can take a
21 break now. That's fine.

22 THE WITNESS: Let's not take too
23 long.

24 MS. VANLARE: If you'd rather
25 not, Mr. Aronzon, it's up to you.

1 P. Aronzon

2 THE VIDEOGRAPHER: I do have to
3 reset the video though, counsel. It
4 only takes a few seconds. Whatever
5 you want to do.

6 Should we go off for a few
7 minutes?

8 THE WITNESS: Sure. Let's --
9 five minutes, ten minutes, what do you
10 want?

11 MS. GRIFFITH: Let's take a
12 ten-minute break.

13 THE WITNESS: You've got it.

14 THE VIDEOGRAPHER: The time is
15 12:44.

16 We are off the record.

17 (Whereupon a break was taken)

18 THE VIDEOGRAPHER: The time is
19 1:05.

20 We are on the record.

21 Q. So to jump back in, we were
22 talking about the released Genesis
23 personnel list and what the special
24 committee considered prior to providing
25 written consent for the release of

1 P. Aronzon

2 individuals on this list.

3 So my next question is: Do you
4 know as a fact if any of the Genesis
5 released personnel ever held any Grayscale
6 ETF?

7 MS. VANLARE: Objection.

8 As previously noted, the answer
9 would reflect communications with
10 counsel and attorney work product as a
11 result of the investigation or created
12 as part of the investigation and as
13 such, I would instruct the witness not
14 to answer.

15 Q. Are you going to answer the
16 question?

17 A. No.

18 Q. Do you know, as a fact, if any
19 of the individuals on the released Genesis
20 personnel list were ever involved with
21 debtors lending to Three Arrows Capital?

22 MS. VANLARE: Objection.

23 I believe the answer calls for
24 attorney-client communications and
25 attorney work product and, as such, I

1 P. Aronzon

2 would instruct the witness not to
3 answer.

4 Q. Are you going to answer the
5 question?

6 A. No.

7 Q. Was whether individuals on the
8 Genesis released personnel list was ever
9 involved with debtors lending to Three
10 Arrows Capital a fact that was considered
11 prior to the special committee granting
12 consent for the releases?

13 MS. VANLARE: Objection. Calls
14 for attorney-client communications,
15 attorney work product.

16 I'm going to instruct the
17 witness not to answer.

18 Q. You can answer.

19 MS. VANLARE: I'm going to
20 instruct the witness not to answer for
21 the reasons I just noted.

22 Q. If your answer is that you're
23 not going to your answer, that could be
24 your answer.

25 MS. VANLARE: I am instructing

1 P. Aronzon

2 the witness not to answer.

3 Q. Are you following your counsel's
4 instructions?

5 A. Yes.

6 Q. Was a fact considered by the
7 special committee whether any of the
8 individuals on the released Genesis
9 personnel list were ever involved with
10 debtors lending to FTX or Alameda
11 Research?

12 MS. VANLARE: Same objection.

13 The answer to this question
14 would reveal attorney-client
15 communication and attorney work
16 product and as such, I would instruct
17 the witness not to answer.

18 Q. And are you following your
19 counsel's instruction?

20 A. Yes.

21 Q. Back to that first paragraph
22 that we looked at where it states that it
23 was the special committee which provided
24 prior written consent for the releases of
25 current and former employees.

1 P. Aronzon

2 I just wanted to ask your
3 opinion, does that written consent mean
4 that the decision was the special
5 committee's decision or Cleary's decision?

6 MS. VANLARE: Objection.

7 First, are you referring to
8 paragraph -- the first paragraph of
9 Exhibit 7?

10 MS. GRIFFITH: Yes, Exhibit --
11 yes, Exhibit 7 but first paragraph of
12 Exhibit F of Exhibit 7.

13 MS. VANLARE: Then objection to
14 form.

15 THE WITNESS: This I can answer;
16 correct?

17 MS. VANLARE: You may answer.

18 THE WITNESS: It's the special
19 committee's decision.

20 Q. Did you have to -- I'm sorry,
21 did I cut you off?

22 A. No.

23 Q. My video might have a slight
24 lag.

25 In making this decision, did you

1 P. Aronzon

2 have to accept Cleary's recommendations or
3 could the special committee make its own
4 separate decision about whether releases
5 were appropriate or not?

6 MS. VANLARE: Objection to form.

7 To the extent this would reveal
8 attorney-client communications, I
9 would instruct the witness not to
10 answer.

11 THE WITNESS: So the question is
12 did we have to accept advice from our
13 professionals?

14 Q. Yes.

15 A. No, we don't have to accept it.

16 Q. Did you accept all of the advice
17 from your professionals in making your
18 independent decision about whether
19 releases were appropriate?

20 MS. VANLARE: Objection. Calls
21 for attorney-client communication.

22 I'm going to instruct the
23 witness not to answer.

24 Q. Are you going to follow the
25 advice of your counsel?

1 P. Aronzon

2 A. I am.

3 Q. Do you know if there's currently
4 any litigation between the debtors and any
5 of the individuals or entities on the
6 released Genesis personnel list?

7 MS. VANLARE: Objection.

8 The answer calls for
9 attorney-client communications and
10 attorney work product.

11 I'm going to instruct the
12 witness not to answer.

13 Q. Are you going to follow your
14 counsel's advice?

15 A. Yes.

16 Q. Are you aware of any publicly
17 filed litigation or claims against any
18 individual on the Genesis released
19 personnel list?

20 MS. VANLARE: Objection.

21 I believe the answer calls for
22 attorney-client communications and
23 attorney work product.

24 I instruct the witness not to
25 answer.

1 P. Aronzon

2 Q. Have you separately considered
3 as a factor in whether to grant releases
4 whether there are any currently litigation
5 between the debtors and any of the
6 individuals on the Genesis released
7 personnel list?

8 MS. VANLARE: Objection.

9 The question calls for
10 attorney-client communications and
11 work product, and as such, I'm going
12 to instruct the witness not to answer.

13 Q. Are you going to follow your
14 counsel's advice?

15 A. Yes.

16 Q. Are you aware if any of the
17 releases being granted to the individuals
18 and individuals on the released Genesis
19 personnel list are being granted as part
20 of any settlement of any existing
21 litigation or claims against released
22 Genesis personnel?

23 MS. VANLARE: Objection.

24 Objection to form and calls for
25 attorney-client communications and

1 P. Aronzon

2 work product and, as such, I would
3 instruct the witness not to answer.

4 Q. And are you following your
5 counsel's advice?

6 A. Yes.

7 Q. What is the total potential
8 litigation value of claims the estate may
9 have against all of the individuals listed
10 on the released Genesis personnel list?

11 MS. VANLARE: Objection.

12 I'm going to instruct the
13 witness not to answer beyond what is
14 publicly available. The question
15 calls for information that is
16 privileged and, as such, I will
17 instruct the witness not to answer.

18 MS. GRIFFITH: I'm going for a
19 number. A number is not privileged
20 information.

21 MS. VANLARE: I disagree. I
22 think you're asking for privileged
23 information, and I will instruct the
24 witness not to answer.

25 Q. Yes or no, was the total

1 P. Aronzon

2 potential litigation value of claims
3 something that was calculated or
4 considered by the special committee?

5 MS. VANLARE: Objection. Calls
6 for attorney-client communications and
7 attorney work product.

8 I'm going to instruct the
9 witness not to answer.

10 Q. And are you going to follow your
11 counsel's instruction?

12 A. Yes.

13 Q. Would it be a relevant factor to
14 your decision in granting releases the
15 potential litigation value of claims the
16 estate may have against all of those
17 listed on the released Genesis personnel
18 list?

19 MS. VANLARE: Objection to form.
20 You may answer yes or no.

21 THE WITNESS: It's a factor.

22 Q. And yes or no, was it something
23 you considered?

24 MS. VANLARE: That's not the
25 question you asked.

1 P. Aronzon

2 MS. GRIFFITH: That's a new
3 question.

4 MS. VANLARE: If that's a new
5 question, objection, that question
6 calls for privileged communication
7 and, as such, I would instruct the
8 witness not to answer.

9 Q. And are you following your
10 counsel's advice?

11 A. Yes.

12 Q. Then moving to section two of
13 Exhibit 7, the Exhibit F part of
14 Exhibit 7, and if we look down to section
15 two, it says justifications for the
16 release, and it lists several
17 justifications for the releases.

18 Are you familiar with those
19 justifications?

20 A. Yes.

21 Q. Were these justifications
22 something you considered when granting
23 consent to release the individuals on the
24 Genesis released personnel list?

25 MS. VANLARE: I would caution the

1 P. Aronzon

2 witness not to reveal any
3 attorney-client communications, but I
4 believe you can answer the question.

5 THE WITNESS: Yes.

6 Q. The first bullet point reads,
7 "the releases of the released Genesis
8 personnel apply only to officers,
9 directors, and employees who have provided
10 services to the estates on or after the
11 petition date. The special committee
12 believes that such person contributed,
13 either directly or indirectly, to the
14 debtors' restructuring efforts in the
15 Chapter 11 cases".

16 Do you see that?

17 A. Yes.

18 Q. What is meant by "such persons
19 contributed" in this paragraph?

20 MS. VANLARE: Objection.

21 I believe the question calls for
22 attorney-client communications and, as
23 such, I would instruct the witness not
24 to answer.

25 MS. GRIFFITH: I'm asking what is

1 P. Aronzon

2 meant on a publicly filed document
3 that's a justification for a release
4 being granted. What contributions did
5 people that are getting releases offer
6 the estate? That's a fact.

7 MS. VANLARE: Objection. The
8 question calls for attorney-client
9 communications and attorney work
10 product as a result of an
11 investigation that was conducted and
12 discussions that took place with
13 counsel and, as such, I would instruct
14 the witness not to answer the
15 question.

16 Q. Separate and aside from any
17 communications with counsel, are you aware
18 of any contributions that any employee
19 currently set to get a release has offered
20 the estate?

21 MS. VANLARE: Objection.

22 I would -- to the extent your
23 answer -- what you know and to the
24 extent your answer reflects
25 discussions with counsel, I would

1 P. Aronzon

2 instruct you not to answer.

3 Q. You can answer.

4 A. Everything I know about this
5 comes out of our discussions with our
6 professionals, especially our counsel. So
7 I don't know how to answer other than
8 that.

9 Q. So sitting here as a special
10 committee member, you don't know any
11 contributions that any person getting a
12 release contributed to the estate that you
13 would not consider a privileged
14 contribution that you could not reveal?

15 MS. VANLARE: Objection to form
16 and asked and answered. I believe the
17 witness answered the question you
18 previously posed.

19 Q. Would you --

20 A. Am I supposed to say something
21 or no?

22 Q. Do you have anything to add?

23 A. No. What I learned about the
24 contributions I learned in our discussions
25 with counsel.

1 P. Aronzon

2 Q. So you have no nonprivileged
3 information about contributions that those
4 set to get releases under the plan
5 contributed to the estate?

6 MS. VANLARE: Objection. Asked
7 and answered.

8 THE WITNESS: Correct.

9 Q. Do you know if all of the
10 individuals on the released Genesis
11 personnel list have made contributions
12 either directly or indirectly to the
13 estate?

14 MS. VANLARE: Objection. It goes
15 into attorney-client communications
16 and attorney work product and, as
17 such, I would instruct the witness not
18 to answer.

19 Q. I'm asking about your personal
20 knowledge as a special committee member
21 who you testified has the ultimate
22 decision whether or not to grant releases
23 separate and apart from your counsel's
24 advice.

25 MS. VANLARE: Objection. Asked

1 P. Aronzon

2 and answered. Misstates his
3 testimony. And again, I think the
4 witness has already testified several
5 times that what he learned about this
6 topic came from conversations with
7 counsel.

8 Same objection. Same
9 instruction.

10 Q. And so are you not going to
11 answer the question?

12 A. I'm following my counsel's
13 advice.

14 Q. Have you ever calculated or
15 considered the total dollar value of
16 contributions that those are on the
17 released Genesis personnel list offered to
18 the estate?

19 MS. VANLARE: Objection.

20 You can answer yes or no if you
21 think you can without revealing
22 attorney-client information -- excuse
23 me, attorney-client communication or
24 attorney work product.

25 THE WITNESS: I don't know how

1 P. Aronzon

2 to answer it without referring to the
3 discussions we've had with counsel.
4 And you asked me this before and I
5 said the same thing.

6 Q. Did you consider whether you
7 could hire any new individuals or
8 consultants that would make the same
9 contributions that those that fall on this
10 released Genesis personnel list were
11 contributing to the estate instead?

12 MS. VANLARE: Objection. The
13 question is vague.

14 THE WITNESS: Are you asking
15 could we have hired other people to do
16 the job that our people did?

17 Q. Yes.

18 A. Why would I do that?

19 Q. A potential reason could be so
20 you do not have to release them and
21 therefore forfeit any potential causes or
22 claims of action against those individuals
23 if it was to be revealed at any point in
24 time that they were involved in
25 misconduct.

1 P. Aronzon

2 MS. VANLARE: Is there a
3 question, Ms. Griffith?

4 Q. Yes.

5 Did you ever consider whether
6 new employees or consultants could be
7 hired to do the job that the current
8 employees that are set to get releases are
9 doing?

10 MS. VANLARE: Objection.
11 Objection to form.

12 To the extent you can answer
13 this question without revealing
14 attorney-client communications or
15 attorney work product, you may answer.

16 THE WITNESS: I guess I have a
17 couple of comments.

18 One, I don't make decisions
19 about hiring people for Genesis. We
20 have management that does that.

21 Two, the answer is no, I did not
22 consider it.

23 Q. And who is management at Genesis
24 that makes those decisions?

25 A. We have a number of officers and

1 P. Aronzon

2 directors who make hiring and firing
3 decisions.

4 Q. And are any of those individuals
5 on the released Genesis personnel list?

6 MS. VANLARE: Objection.

7 I'm going to instruct the
8 witness not to answer. It reflects
9 attorney-client communication and
10 attorney work product.

11 Q. Are you following your counsel's
12 directions?

13 A. Yes.

14 Q. The next bullet point states,
15 "the released Genesis personnel have
16 knowledge and insight into the debtors'
17 business and transactions that may be
18 critical to the resolution of litigation
19 against the DCG parties and the Gemini
20 parties as well as various regulatory and
21 enforcement actions relating to the
22 debtors' prepetition businesses".

23 Do you see that?

24 A. Yes.

25 Q. Do you know -- and this is a

1 P. Aronzon

2 number, not who, a number -- how many of
3 the individuals on the released Genesis
4 personnel list have this knowledge and
5 insight?

6 MS. VANLARE: Objection.

7 I believe the answer calls for
8 privileged information with counsel
9 and attorney work product, and as
10 such, I'm going to instruct the
11 witness not to answer.

12 Q. Are you following the direction
13 of your counsel?

14 A. Yes.

15 Q. Who would have this knowledge
16 about which Genesis employees have, quote,
17 knowledge and insight into the debtors'
18 businesses and transactions?

19 MS. VANLARE: Objection. Calls
20 for privileged communication and
21 attorney work product.

22 As such, I would instruct the
23 witness not to answer.

24 Q. Are you following the advice of
25 your counsel?

1 P. Aronzon

2 A. Yes.

3 Q. Do you know if any of the
4 individuals on the released Genesis
5 personnel list have overlapping, quote,
6 knowledge and insight into the debtors'
7 business and transactions?

8 MS. VANLARE: Objection to form,
9 but also I would instruct the witness
10 not to answer to the extent it reveals
11 any attorney-client communication or
12 attorney work product.

13 Q. Are you following your counsel's
14 direction?

15 A. Yes.

16 Q. Have you or the special
17 committee calculated or considered dollar
18 value that could be assigned to this
19 contribution to the estate being the
20 knowledge and insight into the debtors'
21 business and transactions that those on
22 the released Genesis personnel was tasked?

23 MS. VANLARE: Objection.

24 To the extent this question
25 calls for privileged information,

1 P. Aronzon

2 attorney-client communications, and/or
3 attorney work product, I would
4 instruct the witness not to answer.

5 Q. And are you following your
6 counsel's direction?

7 A. Yes.

8 Q. Have any of the individuals on
9 the released Genesis personnel list
10 refused to cooperate with resolution of
11 litigation against the DCG parties and the
12 Gemini parties as well as various
13 regulatory and enforcement actions
14 relating to the debtors' prepetition
15 business unless they received releases?

16 MS. VANLARE: Objection.

17 I'm going to -- to the extent it
18 reveals attorney-client privilege,
19 attorney work product, I'm going to
20 instruct the witness not to answer.

21 Q. Is this a factor that you
22 considered in granting consent to these
23 individuals?

24 MS. VANLARE: Same objection.

25 Calls for privileged information and

1 P. Aronzon

2 attorney work product.

3 Q. Are you going to follow your
4 counsel's advice?

5 A. Yes.

6 Q. There are more than a hundred
7 individuals currently on the released
8 Genesis personnel list; correct?

9 MS. VANLARE: Objection.

10 I don't know if you know as a
11 fact matter. You may answer. But
12 otherwise, to the extent it calls for
13 attorney-client communication or
14 attorney work product, I would
15 instruct you not to answer.

16 THE WITNESS: I don't know the
17 exact number.

18 Q. Do you know if it's more than a
19 hundred individuals on the Genesis
20 released personnel list?

21 MS. VANLARE: Same objection.

22 And to the extent what you know
23 comes from conversations with counsel,
24 I would instruct you not to answer
25 that question.

1 P. Aronzon

2 THE WITNESS: I don't know.

3 Q. Do you know if it's more than
4 five hundred people on the released
5 Genesis personnel list?

6 MS. VANLARE: Same objection.

7 To the extent any information
8 you have on this comes from counsel,
9 I'm going to instruct you not to
10 answer.

11 THE WITNESS: I don't know the
12 number.

13 Q. Do you know -- referring back to
14 that second bullet point on the Exhibit F
15 page of Exhibit 7 referring to the
16 knowledge and insight, do you know if some
17 individuals are getting released solely
18 because they have knowledge and insight
19 into the debtors' business and
20 transactions?

21 MS. VANLARE: Objection. Calls
22 for privileged communication, attorney
23 work product.

24 I'm going to instruct the
25 witness not to answer.

1 P. Aronzon

2 Q. Are you going to follow your
3 counsel's advice?

4 A. Yes.

5 Q. If we flip to the next page,
6 page twenty-two of twenty-two of this PDF,
7 the second bullet point down states, "the
8 special committee's investigation has not
9 identified wrongdoing on the part of the
10 released Genesis personnel that would give
11 rise to claims or causes of action that
12 are likely to provide value to the
13 debtors' estates".

14 Do you see that?

15 A. Yes.

16 Q. What is meant by "provide value
17 to the debtors' estates" here?

18 MS. VANLARE: Objection. I
19 believe the document is clear.
20 Anything that's not publicly available
21 is going to be subject to privilege,
22 and I'm going to instruct the witness
23 not to answer.

24 Q. And are you following your
25 counsel's advice?

1 P. Aronzon

2 A. Yes.

3 Q. As a special committee member,
4 what would you consider value to the
5 debtors' estates here, in your opinion,
6 separate and apart from discussions with
7 counsel?

8 MS. VANLARE: Objection. Vague.
9 Are you talking about generally
10 what is value? More context.

11 MS. GRIFFITH: I'm talking about
12 what the witness would consider value
13 to the debtors' estates here in his
14 opinion as a special committee member
15 separate and apart from his
16 discussions with counsel.

17 MS. VANLARE: If there's any --
18 so objection to form.

19 But if there is anything that
20 you know that doesn't come from your
21 discussions with counsel, you may
22 answer. But otherwise, to the extent
23 the question calls for privileged
24 communications or attorney work
25 product, I'm going to instruct not to

1 P. Aronzon

2 answer.

3 THE WITNESS: Are you asking me
4 my own opinion of the word "value",
5 what does it mean?

6 Q. Yes, in this paragraph, how you
7 would interpret that, what that means.

8 A. In this paragraph relates to
9 attorney-client communication and
10 discussion.

11 Away from this paragraph, if you
12 give me a minute, I'll go get a
13 dictionary. It will tell me whether I
14 agree with it or not.

15 Q. So without a dictionary, do you
16 have an opinion as to what value to the
17 debtors' estates would be?

18 MS. VANLARE: Objection. Vague.

19 THE WITNESS: Just my own
20 personal opinion is that value can be
21 a lot of different things. It can be
22 -- I'm just going to go through a
23 list. There's no priority here. It's
24 whatever comes into my head at the
25 moment as I'm talking to you as if

1 P. Aronzon

2 this were a conversation.

3 But there's things like spending
4 time helping us in some manner or
5 fashion, working for us above and
6 beyond just normal salaries, because
7 we're talking about personnel here.
8 It can be paying money back to us. It
9 can be transferring assets to us other
10 than cash or paying money. It can be
11 a lot of things. It can be providing
12 assistance that is, you know, hard to
13 quantify. It's just a whole variety
14 of different things that any one of us
15 would consider valuable.

16 Q. Was everything that you
17 considered value as part of your analysis
18 of whether or not to grant releases
19 included on this justifications for the
20 release section?

21 MS. VANLARE: Objection.

22 Objection to form. Unclear.

23 Are you talking about the
24 entirety of the exhibit or are you
25 talking about the bullet point that

1 P. Aronzon

2 talks about wrongdoing and claims that
3 would or would not provide value?

4 MS. GRIFFITH: The entirety of
5 the exhibit. I was just responding to
6 the witness' last response.

7 THE WITNESS: Are you asking me
8 if, in the conversations with counsel,
9 we considered all those things that I
10 just like off the top of my head
11 mentioned as possible value
12 propositions?

13 Q. I was trying to understand if
14 those were actual value propositions that
15 you considered for this matter or if that
16 was just hypothetical examples of value
17 unconnected to this case.

18 MS. VANLARE: Objection.

19 Objection to form.

20 You may answer unless the --
21 however, to the extent the question
22 would reveal any attorney-client
23 privilege, I would caution you on that
24 point.

25 THE WITNESS: You asked me my

1 P. Aronzon

2 own opinion of value. I gave you some
3 ideas.

4 To the extent you're asking
5 about things on this page or in our
6 decision-making, you're asking about
7 the conversations with our counsel.

8 Q. If an employee was found to have
9 committed misconduct such that a claim or
10 cause of action could be brought against
11 that employee, would you consider any
12 recovery from that claim or cause of
13 action against that employee to be able to
14 fall under the value bucket to the estate
15 or could add value to the estate?

16 MS. VANLARE: Objection to form.

17 Again, counsel, are you asking
18 about the Exhibit 7 and the bullet
19 point that talks about claims not
20 providing value to the estate or
21 something else?

22 MS. GRIFFITH: No, that was not
23 connected to that. That was me trying
24 to understand the special committee
25 members' understanding of what could

1 P. Aronzon

2 constitute value.

3 MS. VANLARE: Could you maybe
4 restate the question?

5 MS. GRIFFITH: Sure.

6 Q. If an employee -- this is
7 separate and apart from what's on the page
8 here.

9 If a Genesis employee committed
10 misconduct.

11 Are you following that?

12 A. Are you asking me?

13 Q. Yes.

14 A. I'm following that, yes.

15 Q. This is a hypothetical.

16 A. Okay.

17 Q. If a Genesis employee committed
18 misconduct, the estate could potentially
19 bring litigation asserting a claim against
20 that employee for such misconduct;
21 correct?

22 MS. VANLARE: Objection.

23 THE WITNESS: Theoretically
24 possible.

25 Did you tell me not to answer

1 P. Aronzon

2 that or no?

3 MS. VANLARE: No, I was objecting
4 to the form.

5 THE WITNESS: Theoretically,
6 yes, we could.

7 Q. And if there was a recovery from
8 the pursuit of that cause of action or
9 claim against that employee, would you
10 consider that recovery to be value for the
11 estate?

12 MS. VANLARE: Objection.

13 I would caution you not to
14 reveal any attorney-client
15 communication, and I object to form.

16 To the extent you can answer the
17 question without revealing
18 attorney-client communication, you may
19 do so.

20 THE WITNESS: We're not talking
21 about this page, we're talking about
22 just my own understanding here?

23 Q. Correct.

24 A. So without referring to this
25 page or any of the prior questions about

1 P. Aronzon

2 our employees, if we're going to bring an
3 action against somebody -- and it doesn't
4 even have to be an employee, it could be
5 anybody -- one of the things we look at is
6 whether they could actually pay us back,
7 so creditworthiness and is it worth it.

8 So in that respect, I would
9 consider payments, if people have the
10 capacity to do so, to be valuable.

11 I'm sorry, did somebody say
12 something?

13 So I don't know if that answers
14 your question or not. But if somebody can
15 pay me back and I believe we have a claim
16 against them, then that's value that we
17 would certainly consider.

18 Q. So we're on the same page, I
19 just wanted to make sure we had the same
20 understanding about potential types of
21 value to the estate.

22 So now directing your attention
23 away from that hypothetical and back to
24 the bullet point in Exhibit 7 which states
25 "the special committee's investigation has

1 P. Aronzon

2 not identified wrongdoing on the part of
3 released Genesis personnel that would give
4 rise to claims or causes of action that
5 are likely to provide value to the
6 debtors' estate", what type of wrongdoing
7 was considered?

8 MS. VANLARE: Objection. I
9 believe the answer calls for
10 attorney-client communication and
11 attorney work product and, as such, I
12 would instruct the witness not to
13 answer.

14 Q. Are you following your counsel's
15 advice?

16 A. Yes.

17 Q. In your opinion, if a -- what
18 the publicly filed words on the page
19 state, "the special committee's
20 investigation has not identified
21 wrongdoing", why would a release be
22 necessary of individuals who committed no
23 wrongdoing?

24 MS. VANLARE: Objection. Calls
25 for a legal conclusion.

1 P. Aronzon

2 To the extent your answer would
3 reveal any attorney-client
4 communications, I would instruct you
5 not to answer the question.

6 Q. And I'm asking this in your
7 opinion as a special committee member that
8 had to make an independent decision on
9 these releases about whether or not to
10 accept recommendations and advice from
11 counsel.

12 So in your independent thought
13 process about whether to grant these
14 releases, have you considered why an
15 individual that the special committee has
16 not identified any wrongdoing on the part
17 of would need to be released?

18 MS. VANLARE: Objection. Calls
19 for a legal conclusion.

20 And also, to the extent your
21 answer would reveal any
22 attorney-client communications, I
23 would instruct you not to answer.

24 Q. Have you considered this
25 separate and apart from counsel?

1 P. Aronzon

2 A. Not in the context of our case,
3 no.

4 Q. Okay.

5 The next bullet point on this
6 page states, "any surviving claims against
7 the released Genesis personnel would be
8 costly and unlike to result in significant
9 recoveries for the debtors' estates
10 because of the very limited directors and
11 officers insurance coverage, which at
12 present provides no more than 8.7 million
13 in coverage".

14 What was the estimated cost of
15 bringing any surviving claims against the
16 released Genesis personnel?

17 MS. VANLARE: Objection.

18 The answer calls for attorney
19 work product and, as such, I would
20 instruct the witness not to answer.

21 Q. Are you following your counsel's
22 advice?

23 A. Yes.

24 Q. Was the estimated cost of
25 bringing any surviving claims against the

1 P. Aronzon

2 released Genesis personnel a fact that the
3 special committee considered when deciding
4 whether or not to grant releases?

5 MS. VANLARE: Objection.

6 To the extent you can answer
7 without revealing attorney-client
8 communication, you may do so.

9 THE WITNESS: I can't answer it
10 without referring to what we discussed
11 with counsel.

12 Q. What surviving claims against
13 the released Genesis personnel are
14 referred to in this bullet point as a
15 justification for why these individuals
16 should be released?

17 MS. VANLARE: Objection.

18 Calls for privileged
19 communication and attorney work
20 product and, as such, I would instruct
21 the witness not to answer.

22 Q. Are you following your counsel's
23 advice?

24 A. Yes.

25 Q. Do you know if all of the

1 P. Aronzon

2 individuals that are currently on the
3 released Genesis personnel list were
4 covered by directors and officers
5 insurance?

6 MS. VANLARE: Objection.

7 If you have any knowledge
8 separate and apart from discussions
9 with counsel, you may answer.

10 Otherwise, I would instruct you
11 not to answer.

12 Q. You may answer.

13 A. I'm trying to figure out if I
14 know anything away from our discussions
15 with counsel.

16 What's the question again? I'm
17 sorry.

18 You're asking me if people are
19 not insured; is that what you're asking
20 me?

21 Q. No, I'm asking you if all of the
22 individuals that are currently on the
23 released Genesis personnel list would be
24 covered by directors and officers
25 insurance.

1 P. Aronzon

2 Was that a fact or something
3 that the special committee looked into as
4 part of its investigation?

5 MS. VANLARE: Objection. Calls
6 for attorney work product.

7 As such, I would instruct the
8 witness not to answer.

9 Q. Are you following your counsel's
10 advice?

11 A. Yes.

12 Q. The first bullet point on this
13 page -- and I'll just read the first
14 sentence out loud but feel free to read
15 the whole paragraph -- states, "the
16 released Genesis personnel are entitled to
17 indemnification pursuant to the debtors'
18 governing documents".

19 THE WITNESS: This is the first
20 bullet on this page?

21 Q. Do you see that first paragraph?

22 A. Yes.

23 Q. In granting releases to those on
24 the released Genesis personnel list, was a
25 factor considered by the special committee

1 P. Aronzon

2 whether an individual was entitled to
3 indemnification pursuant to the debtors'
4 governing documents?

5 MS. VANLARE: Objection to form.

6 You may answer yes or no.

7 THE WITNESS: Yes.

8 Q. Did the special committee
9 confirm that each and every one of the
10 individuals on the released Genesis
11 personnel list was, in fact, entitled to
12 indemnification pursuant to debtors'
13 governing documents?

14 MS. VANLARE: Objection. Calls
15 for privileged communication and
16 attorney work product.

17 I'm going to instruct the
18 witness not to answer.

19 Q. And are you following your
20 counsel's advice?

21 A. Yes.

22 Q. Another bullet point on this
23 page states that "the debtors' releases of
24 the released Genesis personnel expressly
25 exclude any claims arising out of gross

1 P. Aronzon

2 negligence, fraud, or willful misconduct
3 as determined by a final order".

4 Do you see that?

5 A. Yes.

6 Q. Has the special committee
7 estimated or considered an estimated value
8 of the total claims that would arise out
9 of gross negligence, fraud, or willful
10 misconduct that could be brought against
11 released Genesis personnel?

12 MS. VANLARE: Objection. Calls
13 for privileged communication and
14 attorney work product.

15 As such, I'm going to instruct
16 the witness not to answer.

17 Q. Are you following your counsel's
18 direction?

19 A. Yes.

20 Q. Is it your understanding that
21 individuals on the released Genesis
22 personnel list are being released from all
23 claims besides gross negligence, fraud, or
24 willful misconduct?

25 MS. VANLARE: Objection.

1 P. Aronzon

2 To the extent you know the
3 answer to that, you may answer it.
4 However, I would caution you not to
5 reveal any attorney-client
6 communication or attorney work
7 product.

8 THE WITNESS: I'd have to look
9 at the release together with you, but
10 I think that's correct, they are being
11 released from any and all claims other
12 than the ones specified in this
13 bullet.

14 Q. And does any and all claims
15 include known and unforeseen claims?

16 MS. VANLARE: Objection.

17 THE WITNESS: Again, I'd have to
18 look at the release, but I believe
19 that's correct.

20 Q. What benefit is the estate
21 receiving from releasing individuals from
22 unforeseen claims?

23 MS. VANLARE: Objection.

24 You have publicly filed
25 documents. Anything beyond that is

1 P. Aronzon

2 subject to attorney-client privilege
3 and attorney work product, and as
4 such, I would instruct the witness not
5 to answer.

6 MS. GRIFFITH: What publicly
7 filed documents are you referencing?

8 MS. VANLARE: The disclosure
9 statement in the plan supplement.

10 Q. Would you be able to point me,
11 Mr. Aronzon, to where it talks about that
12 in the publicly filed documents? Are you
13 familiar with that?

14 MS. VANLARE: Objection.

15 THE WITNESS: Well -- go ahead,
16 Jane.

17 MS. VANLARE: Objection to form.
18 If you know, you may answer.

19 THE WITNESS: I know that there
20 are provisions in the plan that
21 provide for the release and carveouts.
22 I know that there is some language in
23 the disclosure statement, I don't know
24 page numbers for either, and you have
25 on the screen in front of you the

1 P. Aronzon

2 answer to the questions you just asked
3 me, which is, you know, what is it
4 that -- I guess it's what is the
5 estate receiving and why are you doing
6 this. It's all listed there.

7 Q. So because I need to hear it,
8 there was a lot of attorney-client
9 privilege objections.

10 In your voice and in your
11 opinion, what value is the estate
12 receiving?

13 MS. VANLARE: Objection.

14 Q. For granting releases of all of
15 the individuals listed on the released
16 Genesis personnel list.

17 MS. VANLARE: Objection. Asked
18 and answered. The witness has
19 answered your question.

20 Q. You can answer.

21 A. The values listed on these pages
22 that we're looking at in this exhibit, is
23 it number seven or Exhibit F, I guess it
24 is. And they're laid out here.

25 Q. Which -- are you referring to

1 P. Aronzon

2 bullet points? What bullet points are you
3 referring to?

4 A. All of them under section two.

5 Q. So help me understand that.

6 The one we referred to, "the
7 special committee's investigation has not
8 identified wrongdoing on the part of the
9 released Genesis personnel that would give
10 rise to claims or causes of action that
11 are likely to provide value to the
12 debtors' estates".

13 How does that add value to the
14 debtors' estates?

15 MS. VANLARE: Objection. Being
16 argumentative. The witness has
17 already explained that the exhibit
18 provides justifications for the
19 releases and it does that and that's
20 what it states on the page. He's
21 already answered the question many
22 times.

23 Q. You can answer.

24 A. If we can't recover value, we'd
25 be wasting money, creditors' money, in

1 P. Aronzon

2 chasing it.

3 Q. Are all -- is all of the value
4 that the estate gets from consenting to
5 the release of those on the released
6 Genesis personnel list included in this
7 Exhibit F or are there things outside of
8 that's listed on Exhibit F?

9 MS. VANLARE: Objection. Calls
10 for privileged communications and
11 attorney work product and, as such, I
12 will instruct the witness not to
13 answer.

14 Q. I'm not asking about his
15 communications with counsel, I'm asking is
16 all of the value on this publicly filed
17 page or is there something else that you
18 discussed with counsel. I don't want to
19 know the substance, I don't want to know
20 what you discussed with counsel. I just
21 want to know is this a comprehensive
22 summary or is there something else out
23 there?

24 MS. VANLARE: Objection.

25 To the extent you can answer

1 P. Aronzon

2 without revealing any attorney-client
3 communications or attorney work
4 product, you may do so.

5 THE WITNESS: I can't answer it
6 without disclosing conversations with
7 counsel.

8 Q. Then I'm going to refer us back
9 to the amended disclosure statement, which
10 was Exhibit 6.

11 A. So I can close this Exhibit 7?

12 Q. And on page one hundred three on
13 the bottom part of the page, page one
14 hundred eighteen of three hundred six of
15 the PDF, there's a footnote sixteen.

16 A. Hold on.

17 MS. VANLARE: I apologize, what
18 was the page numbers?

19 MS. GRIFFITH: Sure.

20 So the bottom page number is
21 page one hundred three and the top
22 page number is page one hundred
23 eighteen of three hundred six of the
24 PDF.

25 THE WITNESS: Page one hundred

1 P. Aronzon

2 eighteen of three hundred six.

3 Q. And do you see footnote sixteen
4 contains a definition for released party
5 in the amended plan?

6 A. Yes.

7 Q. And this definition of released
8 party is different than the definition of
9 released Genesis personnel that we were
10 just looking at in the plan supplement;
11 correct?

12 A. If you say so. I don't have the
13 definition of released Genesis parties in
14 front of me, but I believe you're correct.

15 Q. And released party as defined in
16 the amended plan includes the debtors;
17 right?

18 A. Yes.

19 Q. The ad hoc group's steerco and
20 its members solely in their capacities as
21 such; correct?

22 A. Yes.

23 Q. The committee and its members
24 solely in their capacities as such?

25 A. Yes.

1 P. Aronzon

2 Q. And each related party of each
3 entity described in the foregoing clauses
4 little Roman numeral I through three, in
5 each case solely in its capacity as such?

6 A. Yes, that's what this says.

7 Q. Do you know why the umbrella
8 term "related party" is being used instead
9 of individually listing individuals and
10 entities that would constitute a related
11 party in this definition?

12 MS. VANLARE: Objection.

13 Calls for a legal conclusion.

14 To the extent -- to the extent
15 answering this question would reveal
16 any attorney-client communications or
17 attorney work product, I would caution
18 the witness on that fact and instruct
19 the witness not to answer.

20 Q. You may answer if you're able
21 to.

22 A. I'd have to see the definition
23 of related party, and then I'd have to
24 consider what was just stated in the
25 objection.

1 P. Aronzon

2 Q. Could you, sitting here today,
3 tell me any person or entity that's
4 considered a related party?

5 MS. VANLARE: Objection.

6 THE WITNESS: Without looking at
7 the definition, I'm guessing.

8 Q. You could -- where in this
9 disclosure statement is related party
10 defined?

11 MS. VANLARE: Objection.

12 Q. Do you know?

13 A. I would -- I'm guessing. But if
14 you look at the plan definition, there's
15 probably a definition of related party,
16 but I'd have to go look.

17 Do you want to show it to me?
18 Do you want to find it and pull it out?

19 Q. While we have this exhibit open,
20 it's page one hundred eighty-three of
21 three hundred six.

22 A. One hundred eighty-three?

23 Q. And it's defined term number one
24 hundred seventy-nine.

25 A. I'm looking at page one hundred

1 P. Aronzon

2 eighty-three of three hundred six, and I
3 don't see that.

4 One hundred seventy-nine? Okay,
5 it is on page one hundred eighty-four of
6 what I'm looking at.

7 Q. And I'll read the definition out
8 loud.

9 So related party means, with
10 respect to any entity, such entity's
11 predecessors, successors, and assigns,
12 parents, subsidiaries, affiliates, and all
13 of the respective current and former
14 officers and directors, principals,
15 shareholders, members, managers, partners,
16 employees, agents, trustees, advisory
17 board members, financial advisors,
18 attorneys, accountants, actuaries,
19 investment bankers, consultants,
20 representatives, management companies, and
21 such persons respective of heirs,
22 executors, estates, servants, and
23 nominees.

24 Do you see that?

25 A. Yes.

1 P. Aronzon

2 Q. That covers potentially a lot of
3 different people and entities; correct?

4 MS. VANLARE: Objection.

5 THE WITNESS: I'm sorry, I
6 didn't hear what you said.

7 Q. In your opinion --

8 A. Jane, Jane.

9 MS. VANLARE: Objection to form,
10 but you may answer.

11 THE WITNESS: Okay, okay.

12 So it covers -- your statement
13 is it covers a lot of different people
14 and entities? Yes, it does.

15 Q. So as a special committee
16 members charged with authorizing releases
17 in this matter, how did you feel
18 comfortable that all of the people and
19 entity that would fall under the
20 definition of related party warrant a
21 release?

22 MS. VANLARE: Objection.

23 Objection to form and objection to the
24 extent the answer calls for privileged
25 communications.

1 P. Aronzon

2 I would instruct the witness not
3 to answer to the extent your answer
4 would involve any attorney-client
5 communications or attorney work
6 product.

7 THE WITNESS: I can't really
8 answer the specific question without
9 referring to the discussions with our
10 counsel.

11 Q. Did you consider whether a list
12 of the specific individuals and entities
13 should be used instead of the umbrella
14 definition term "related party"?

15 MS. VANLARE: Objection. Calls
16 for privileged communications and
17 attorney work product, and as such, I
18 would instruct the witness not to
19 answer.

20 Q. Are you following your counsel's
21 instructions?

22 A. Yes.

23 Q. Can you, sitting here today,
24 name even one example of an entity or
25 individual that potentially could fall

1 P. Aronzon

2 under the definition of related party?

3 MS. VANLARE: Objection.

4 I would just caution the
5 witness, to the extent we are subject
6 to a reaction order, we would -- I
7 don't know if your answer would call
8 for revealing any specific individuals
9 or institutions, but I would caution
10 the witness, in the event that it may,
11 given the confidentiality
12 considerations and the judge's rulings
13 and instructions on the record on that
14 point.

15 THE WITNESS: I have no idea
16 what you just said in terms of the
17 limitations on what I can and can't
18 say.

19 Can I answer it like about
20 myself?

21 MS. VANLARE: Yes.

22 THE WITNESS: Fine.

23 I'm a director, and to the
24 extent the debtor is granting a
25 director release, I would get one.

1 P. Aronzon

2 Q. What investigation did the
3 special committee conduct into potential
4 causes of actions or claims that may exist
5 against related parties?

6 MS. VANLARE: Objection. Calls
7 for attorney-client privilege and
8 attorney-client communication and, as
9 such, I would instruct the witness not
10 to answer.

11 Q. Are you following your counsel's
12 instruction?

13 A. Yes.

14 Q. Did the special committee
15 conduct an investigation into potential
16 causes of actions or claims against
17 related parties?

18 MS. VANLARE: Objection.

19 The investigation -- the
20 information relating to the
21 investigation is in the publicly filed
22 documents.

23 To the extent the information is
24 not there, it would be subject to
25 privilege and, as such, I would

1 P. Aronzon

2 instruct the witness not to answer.

3 Q. Are you following your counsel's
4 advice there?

5 A. Yes.

6 Q. Do you know of any going back to
7 the definition of released party which was
8 on page one hundred eighteen of three
9 hundred six of this exhibit?

10 A. Is it also the definition right
11 below the one I just looked at so I don't
12 have to change pages?

13 Q. I believe so. So let's look at
14 it there to make it easy.

15 A. Okay.

16 Q. Do you know if any individual or
17 entity on this list withdrew any assets
18 from Genesis within one year of the
19 petition date?

20 MS. VANLARE: Counsel, objection.

21 You asked these questions before.

22 So objection to form.

23 Objection. Asked and answered.

24 And again, as before, I'm going
25 to instruct the witness not to answer

1 P. Aronzon

2 as your question calls for privileged
3 communication and attorney work
4 product.

5 Q. Are you following your counsel's
6 directions?

7 A. Yes.

8 Q. Who investigated whether the
9 special committee members should be
10 released is?

11 MS. VANLARE: Objection.

12 To the extent the question calls
13 for attorney-client privilege or
14 attorney work product, I'm going to
15 instruct you not to answer.

16 Q. You can answer.

17 A. The question is who
18 investigated?

19 Q. Yes.

20 A. I don't know how to answer this
21 without referring to counsel, so --
22 because counsel investigated it.

23 Q. And when you say "counsel", does
24 that mean Cleary?

25 A. Yes.

1 P. Aronzon

2 Q. So a couple of more questions on
3 a different topic.

4 But before moving on to that
5 topic, is it your contention, sitting here
6 today, that the releases that will be
7 granted to those that fall under the
8 definition of released party and those
9 that are on the released Genesis personnel
10 list are valid?

11 MS. VANLARE: Objection.

12 Objection to the form. Calls for a
13 legal conclusion.

14 And to the extent the answer
15 calls for privileged communication and
16 attorney work product, I would
17 instruct the witness not to answer.

18 Q. I'm asking the special committee
19 member.

20 Is it the special committee's
21 contention that the releases contemplated
22 in the plan are valid?

23 MS. VANLARE: Objection to form.

24 I don't know what you mean by this.

25 And again, I would caution the

1 P. Aronzon

2 witness not to reveal any
3 attorney-client communication or
4 attorney work product.

5 MS. GRIFFITH: I'll rephrase.

6 Q. Is it the special committee's
7 contention that the releases contemplated
8 in the plan are appropriate?

9 MS. VANLARE: Objection.

10 You may even to the extent you
11 can without revealing any
12 attorney-client communication or
13 attorney work product.

14 THE WITNESS: Yes.

15 Q. Can you please explain each and
16 every fact that you rely on to come to
17 that conclusion?

18 MS. VANLARE: Objection.

19 That calls for attorney-client
20 communication and attorney work
21 product, and as such, I would instruct
22 the witness not to answer.

23 Q. Are you following your counsel's
24 direction?

25 A. Yes.

1 P. Aronzon

2 Q. Do you or your fellow special
3 committee member plan to testify at the
4 plan confirmation hearing?

5 MS. VANLARE: Objection. Calls
6 for attorney-client communication,
7 attorney work product.

8 I would instruct the witness not
9 to answer.

10 Q. Are you following your counsel's
11 advice?

12 A. Yes.

13 Q. So it's clear for the record,
14 are you refusing to provide an answer
15 about any fact that you will rely on to
16 come to your conclusion about why the
17 releases in the plan are appropriate?

18 MS. VANLARE: Counsel, objection.
19 You are -- the witness is not refusing
20 to answer. The witness has been
21 answering your questions for several
22 hours now. There is -- as we reviewed
23 during this deposition, there are
24 justifications for releases and
25 exculpations that are provided as part

1 P. Aronzon

2 of the plan supplement and in the
3 disclosure statement, the witness has
4 testified about that information, so
5 objection to your characterization.
6 It is absolutely not the case that the
7 witness is refusing.

8 To the extent your questions
9 called for attorney work product or
10 attorney-client communications, I am
11 instructing the witness not to answer
12 those questions.

13 Q. So are you following your
14 counsel's directions to not respond to my
15 question right now about what facts you're
16 relying on in coming to the condition
17 conclusion that the releases in the plan
18 are appropriate?

19 MS. VANLARE: Objection. All the
20 same objections. Asked and answered.

21 And again, as your question
22 calls for privileged communication and
23 attorney work product, I would
24 instruct the witness not to answer.

25 Q. Are you following your counsel's

1 P. Aronzon

2 directions?

3 A. Yes.

4 Q. Are you refusing to answer this
5 question on the basis of privilege?

6 MS. VANLARE: Objection.

7 He is not refusing to answer the
8 question. I am instructing the
9 witness not to answer the question.

10 Q. Are you following your counsel's
11 instruction not to answer the question on
12 the basis of privilege?

13 A. Yes.

14 Q. In addition to the information
15 in the plan supplement and the disclosure
16 statement, what facts did you rely on in
17 deciding that the releases in the plan are
18 appropriate?

19 MS. VANLARE: Objection. Calls
20 for attorney-client communication and
21 attorney work product and, as such, I
22 would instruct the witness not to
23 answer.

24 MS. GRIFFITH: On what basis are
25 the facts that the special committee

1 P. Aronzon

2 member relied on in making an
3 independent determination about
4 whether the releases in the plan are
5 appropriate attorney-client
6 privileged?

7 MS. VANLARE: Objection. That's
8 not an appropriate question.

9 MS. GRIFFITH: That's my question
10 to you. I'm challenging your
11 objection.

12 MS. VANLARE: I see.

13 The scope of the investigation
14 is attorney work product. Any
15 communications that may have occurred
16 between counsel and the witness are
17 privileged communications and, as
18 such, questions that call for the
19 witness to reveal any of that
20 information are not allowed, and I am
21 instructing the witness not to answer
22 them.

23 Q. And to be clear, for the record,
24 I am not asking about your communications
25 with counsel, I am asking about the

1 P. Aronzon

2 underlying facts which are not privileged
3 information that you considered and relied
4 on in coming to the conclusion that the
5 releases contemplated in the plan are
6 appropriate.

7 MS. VANLARE: Counsel, we have
8 discussed for again many hours the --
9 you've asked many questions on the
10 topic, the witness has responded to
11 many questions on the topic to the
12 extent that he has any facts
13 independent of client communications.

14 To the extent your questions
15 call for information, facts, or legal
16 conclusions that he has based on
17 conversations with counsel and that
18 are a result of attorney work product,
19 those are privileged.

20 MS. GRIFFITH: So are you
21 directing your attention not to answer
22 my question?

23 MS. VANLARE: I need to look back
24 to what your question was, but I
25 believe that was my objection, yes,

1 P. Aronzon

2 and my instruction.

3 MS. GRIFFITH: Court reporter,
4 could you read back my question,
5 please.

6 (Whereupon the requested portion
7 was read back by the reporter)

8 MS. VANLARE: I believe you said
9 that that was not a question for the
10 witness.

11 MS. GRIFFITH: No, my -- I had a
12 separate comment to you which I could
13 scroll back.

14 That was a question for the
15 witness. The one I asked you is
16 further up.

17 My question to you is.
18 Question: "On what basis are the facts
19 that the special committee member
20 relied on in making an independent
21 determination about whether the
22 releases in the plan are appropriate
23 attorney-client privileged".

24 The question that the court
25 reporter just read back is the

1 P. Aronzon

2 question that I posed to the witness,
3 which is pending.

4 MS. VANLARE: Sorry, can you read
5 that question again?

6 (Whereupon the requested portion
7 was read back by the reporter)

8 MS. VANLARE: I have stated my
9 objection on the many times. Again,
10 the witness has testified to his
11 knowledge separate and apart from
12 counsel. Any information beyond
13 what's already publicly available in
14 the disclosure statement and the plan
15 supplement and the information he's
16 already testified to as to his own
17 knowledge, that would be privileged
18 communications with counsel and
19 attorney work product and, as such, I
20 would instruct the witness not to
21 answer.

22 Q. And are you following your
23 counsel's directions not to answer on the
24 basis of privilege?

25 A. Yes.

1 P. Aronzon

2 Q. Then shifting topics, only a
3 couple of questions left -- and thank you
4 very much for your endurance here --

5 MS. GRIFFITH: Matthew, if you
6 could bring up the final exhibit, and
7 we will call this Exhibit 8.

8 (Whereupon, a document entitled
9 Notice of Filing of Plan Supplement
10 was marked Aronzon Exhibit 8
11 for identification.)

12 THE WITNESS: I'm closing six; is
13 that okay?

14 Q. Yes.

15 And are you able to open this
16 exhibit?

17 A. Yes.

18 Q. And this exhibit is notice of
19 filing of plan supplement for the debtors'
20 amended joint Chapter 11 plan publicly
21 filed on the docket as document 1144.

22 And if you scroll down in the
23 exhibit, there's an Exhibit M which is
24 titled Setoff Principles For Allowance of
25 Certain Claims.

1 P. Aronzon

2 A. Okay.

3 Q. And my question to you is: Why
4 is the debtor using the petition date
5 valuation for claims that the debtor has
6 against creditors who borrowed crypto from
7 the debtor?

8 MS. VANLARE: Objection.

9 Objection to form.

10 To the extent the question would
11 reveal any privileged communication, I
12 would caution you. If you know the
13 answer to the question aside from
14 privileged communication, you may
15 answer it.

16 THE WITNESS: I really can't
17 answer this without going into
18 privileged information.

19 Q. If the debtor is using current
20 pricing for claims the debtor has against
21 creditors that borrowed crypto, would that
22 impact the net claim values?

23 MS. VANLARE: Objection.

24 Counsel, it's not clear to me
25 what you're asking. I don't know if

1 P. Aronzon

2 it's clear to the witness.

3 Are you referring to a specific
4 part of the exhibit?

5 MS. GRIFFITH: I'm referring to
6 the setoff principles.

7 Q. And so the setoff principles
8 have the debtor using petition date
9 valuation for claims the debtor have
10 against creditors that borrowed crypto;
11 correct? Do you know if that's correct?

12 MS. VANLARE: Objection.

13 You may answer if you understood
14 the question.

15 THE WITNESS: I'm not sure I do.

16 Q. Are you aware that the debtor
17 has some claims against creditors that
18 borrowed crypto?

19 MS. VANLARE: Objection.

20 You may answer.

21 THE WITNESS: Okay.

22 I don't know how to answer this.

23 Because as I'm sitting right here
24 looking at the language, I'm not
25 seeing what you're referring to.

1 P. Aronzon

2 Q. Well, we can ask this question
3 apart from the document.

4 So you can put the document
5 aside and I could just ask in general with
6 your understanding of the plan, are you
7 aware that the debtors have claims against
8 creditors that borrowed cryptocurrency
9 from the debtors?

10 A. So we -- the debtor loaned
11 crypto assets to an individual; is that
12 your -- is that what you're saying?

13 Q. Yes, that's what I'm asking.
14 Are you aware if that is the
15 case?

16 A. And if we did loan it, those
17 people owe us something; is that your
18 point?

19 Q. Yes, that's what I'm asking you
20 to confirm, if that's your understanding.

21 MS. VANLARE: Objection.

22 You may answer.

23 THE WITNESS: Yeah, I'm trying
24 to think about this and I'm looking at
25 this exhibit to see if it helps me.

1 P. Aronzon

2 Look, we were in the lending
3 business, so Genesis would loan cash
4 or digital assets to counterparties
5 and in some instances those
6 counterparties would pledge cash or
7 digital assets to collateralize our
8 loan. In other instances, we would
9 loan cash or digital assets to a
10 counterparty and sometimes we would
11 borrow cash or digital assets from the
12 same counterparty. Those are two
13 categories that I know of that we
14 attempted to I guess describe in this
15 exhibit. In those settings, there may
16 be setoff principles that come to
17 apply so that you get to a net number
18 for the claim.

19 Q. And in those instances that you
20 just described where Genesis would loan
21 cash or digital assets to counterparties,
22 Genesis would have a claim against those
23 individuals that it loaned cash or digital
24 assets to; correct?

25 A. Those people would owe us money,

1 P. Aronzon

2 correct.

3 Q. And to determine the amount that
4 those people owe under the setoff
5 principles as it's currently drafted, is
6 it correct that petition date valuation is
7 being used to calculate the amount that is
8 currently owed?

9 MS. VANLARE: Objection.

10 THE WITNESS: There's no set off
11 unless they also pledged collateral or
12 we separately from the identical party
13 borrowed assets or cash. So there's
14 two parts to this. You don't get one
15 without the other.

16 In either of those two cases, we
17 would net one against the other to
18 come up with a claim, either they owe
19 us or we owe them depending on the
20 netting.

21 If your question is did we use
22 the petition date for both of those
23 purposes, I believe the answer is yes.

24 Q. And by using petition date
25 valuation for both of those consensus, as

1 P. Aronzon

2 I just said, wouldn't that result in
3 creditors that borrowed cryptocurrency
4 receiving a higher value than creditors
5 that did not borrow cryptocurrency?

6 MS. VANLARE: Objection.

7 THE WITNESS: The claim on the
8 petition date is a certain amount and
9 the value of where it's coined is a
10 certain amount and the net amount
11 results in a net claim for or against
12 depending on the numbers. So without
13 looking at a specific claim or an
14 example, it's almost impossible for me
15 to guess to answer you directly, but
16 it could result in a claim being
17 bigger because the value of crypto on
18 the petition date might have been less
19 than, for instance, it is today or
20 some other date.

21 You look at the petition date
22 for the two numbers and you do a
23 netting and it goes one way or the
24 other. If you pick a different date
25 for the netting, you'd get a different

1 P. Aronzon

2 answer.

3 MS. GRIFFITH: Okay.

4 I have no further questions, and
5 I'm very appreciative of your time
6 today.

7 THE WITNESS: Okay.

8 MS. GRIFFITH: Thank you very
9 much.

10 I don't know if any other
11 counsel has questions on the line, but
12 no further questions from me.

13 Thank you again.

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